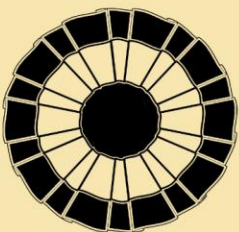


**THE WORK-STANDARD
DUTY AND HONOR
UFSE SCHOOL TEXTBOOK**

**SMP COMPENDIUM OF
ECONOMICS, FINANCE,
AND TECHNICAL
APPLICATIONS**

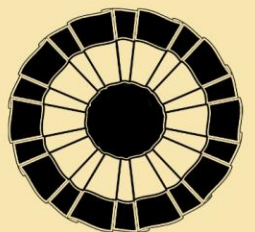
**ECONOMIC PLANNER EDITION
UNABRIDGED ISSUE**



**FEDERALIST PARTY HEADQUARTERS,
KING OF PRUSSIA, PA**

(<https://fourthestatepolicy.com/>)

2023



Preface to the Third Edition

In this brand new Third Edition of *The Work-Standard*, important elaborations and revisions have been made in response to what is now a series of Treatises. Still revolutionary in its monetary and fiscal implications, the “*Arbeitsstandard* (Work-Standard)” in the Third Edition will be explored from a larger variety of political-economic and socio-cultural perspectives. The original aims of articulating an alternative conception of Currency distinct from Neoliberal versions and investigating its implications in America will remain as they are, albeit with improved writing and argumentation. Every effort was made to ensure that the Treatise resembles an actual book as opposed to being a bundled collection of seemingly disparate blog posts in a .PDF file, which was obviously the case when the original First Edition was written in late 2021.

The preceding Second Edition, despite being a major improvement on the First Edition, left so much to be desired. The writing across various Entries in the Sections of the Treatise still remained inconsistent at times. Some Entries were well-written, whereas others felt that they could have been given better delivery of their stipulations. Since the number of Entries are too vast to mention here, the Reader will notice what has been changed and what only received edits to lingering typos from the First and Second Editions.

As the Author began investigating the various alternative models of political-economic governance that flowed directly from the “American National Essence,” other contributors to the Nationalist Worldview of Alexander Hamilton and the Federalist Party (“Hamiltonianism” or “Hamiltonian Federalist Socialism”) made their appearances known from 2022 onward. Today, it is possible to speak of a growing movement of Hamiltonians with “Political Left” and “Political Right” tendencies (assuming the Left-Right Political Spectrum has any significance at this point). There are now “Left-Hamiltonians” in favor of advancing an All-American Socialism and “Right-Hamiltonians” advocating an All-American Corporatism. While the proposals and visions of these alternative economic governance models remain imperfect, they are nonetheless crucial steps toward a more Federalist and less Democratic-Republican pivot within US political-economic discourse. Those contributions deserve attention here.

Thus, the Third Edition distinguishes itself from the Second Edition by broadening its analysis beyond Pure Socialism. It features a new in-depth discussion of the “Great Divergence” within the Federalist Party between Hamilton and James Madison, the latter of whom being one of Thomas Jefferson’s two protégés (the other being James Monroe). Madison betrayed the Federalist Party in the interests of his mentor on two important grounds that continue to be relevant in contemporary America. In essence, the Federal, State and Local governments must work together to steer the US economy and that the Federal government is required under the Constitution to perform specific functions necessary and proper for the fostering of an All-American National Consciousness.

Also new to the Third Edition are concurring discussions of other models of economic governance such as Corporatism and State Capitalism. In the United States, “American Corporatism” traces its origins back to the early Puritans who settled in parts of what is today called New England. The origins of “American State Capitalism” are more recent in that it was part of President Theodore Roosevelt’s contributions to the Federalist Legacy in his “New Nationalism,” a program that was later challenged by the “New Freedom” of Woodrow Wilson, which was itself a contribution to the Democratic-Republican Legacy of the Jeffersonians.

It is because of the aforementioned changes that the Third Edition of *The Work-Standard* will boast two new Sections devoted to discussions of US History and contemporary

political-economic discourse as well as forays into Constitutional Law and Theory. In contemporary times, it has become fashionable to reinterpret and reevaluate US History from opposing perspectives of Jeffersonian Democratic-Republican thought. The Americaness of the American people is being brought into open doubt, the American National Consciousness becoming increasingly fractured in the next phase of the 21st century. Such psychic disruptions are reflected in the “American National Culture,” demonstrating why an “American National Identity” was never truly forged at any point in US History. The Constitution may be the highest law in the Union, but it was never intended by the Federalists to be the highest definition of Americaness.

Finally, all Entries that pertain to accounting will receive the necessary revisions in response to the conclusions outlined in *Work-Standard Accounting Practices*. That Treatise essentially standardized how the Work-Standard functions from a purely financial perspective, causing the Entries of Section Eight (“Economic Metrics and Formulas of the Work-Standard”) to require much-needed revisions. With the methodology having been perfected into something tangible, it became necessary to redesign Section Eight.

Table of Contents

Preface to the Third Edition.....	2
Introduction: “Where Countless Honors Wait”	12
“What is the American Essence?”	16
The Federalist Party (“Federalist American Union”).....	16
The Democratic-Republican Party (“Empire of Liberty”).....	17
Who are the Real Anti-Federalists?.....	18
At the Gates of Tomorrow’s Yesterday.....	20
The Concept of The Work-Standard	21
Forays into Unrealized Opportunities and Untapped Potential	21
Section One: Key Terminology	23
Incentives.....	25
Supply and Demand.....	28
Kapital.....	30
Intent	33
Command and Obedience.....	35
Arbeit and Geld	37
Zeit.....	38
Schuld.....	39
Financial Regime.....	40
State, Totality, and Self	41
Synchronicity	43
Work-Intensity, Work-Productivity, and Force Multiplication.....	45
State Budget, State Revenue, and State Expense	46
Real Trade and Free Trade.....	48
Student Economies and Digital Economies.....	51
World State Organization	52
Section Two: Characteristics of Sociable Currency	53
The Four Functions and Six Attributes of Currencies.....	55
Theories of Value (Pt. 1 of 2).....	57
Theories of Value (Pt. 2 of 2).....	61
Theories of Money (Pt. 1 of 2).....	63
Theories of Money (Pt. 2 of 2).....	68
Currency Depreciation/Appreciation (Pt. 1 of 2)	71

Currency Depreciation/Appreciation (Pt. 2 of 2)	73
‘Death-by-Overwork’, the Work-Standard’s Version of Hyperinflation	75
Monetary Expansion/Contraction	78
The Schwerpunkt and the Work-World	79
Inflow/Outflow Convertibility Rates	80
Currency Devaluation/Revaluation	81
Is the Work-Standard Constitutional?	82
American Questions on the Constitutionality of the Work-Standard	83
The Transitional Period	85
Introduction to Nietzscheanism-Leninism	85
The Socialist Nation: Areas of Interest	86
Pure Socialism: Values of Life-Affirmation	87
Section Three: Economic Governance	89
Types of Economic Organizations	91
Economic Governance Types and Economic Planning Models	95
Planned/Command Economies	95
Market/Mixed Economies	96
Brief History of Economic Planning	97
How the Economy Creates Arbeit	100
How Arbeit is Converted into Geld	102
The Central Bank’s Life-Energy Reserve	103
How the Central Bank sets the Exchange Rates under the Work-Standard	106
How the State receives Revenue and allocates the Budget	107
How the State implements and enforces the Paygrade Scale	109
Why Vocations are the only Acceptable Source of Arbeit	111
Why Vocations need Geld to contribute Arbeit	114
When to Allocate State Funding	114
Roles of Economic Planners and Inspectors	115
Section Four: Political Governance of the Work-Standard	117
Councils and Parliaments	119
Representative Model	119
Delegative Model	120
Unicameral versus Bicameral Legislature	122
Functions of Council Democracy	123
Council Democratic Terms of Office	123

The People's Party and United Front	124
Social Ranking System and Constituencies	125
Council Democracy in Action.....	127
Types of Media.....	128
On Direct Orders	130
A Constitution of Intents and Obligations	133
A Legal Code of Duties and Rights	135
The State's Educational Policies and Ranking System.....	138
State Issuance of Medals, Awards, Commendations and Promotions	142
Section Five: The Financial Regime.....	145
State of Total Mobilization	147
Modes of Production	147
Diamond-Water Paradox Revisited.....	150
The Dasein Motive	151
Primer on Tournaments, Banking, Taxation and Welfare.....	152
The Transvaluation of all Arbeit	156
National-Socialization Principle.....	159
Economic Socialization	159
Solidarity Rate	161
Productive and Personal Properties	164
Taxation and the Work-Standard (Pt. 1 of 3).....	168
Taxation and the Work-Standard (Pt. 2 of 3).....	172
Taxation and the Work-Standard (Pt. 3 of 3).....	175
Fractional-Reserve and Full-Reserve Banking.....	178
Reciprocal-Reserve Banking.....	181
Financial Markets and the Kontore.....	184
Mission-Type Economic Planning.....	187
Financial Instruments of the Kontore.....	191
Wartime Preparations and the Work-Standard (Pt. 1 of 3).....	197
Command Structure of the Council State.....	197
Preparing for Peace	199
Wartime Preparations and the Work-Standard (Pt. 2 of 3).....	201
Council Democracy and the Causes of War.....	201
On the State's Three-Year Conscription Policy.....	202
Weaponizing the Attrition/Inaction Rate	204

Wartime Preparations and the Work-Standard (Pt. 3 of 3).....	206
Why Religious Vocations are Exempted from Military and Work-Conscription.....	206
Why the VCS Economy Rations, Repurposes, and Recycles Everything	207
On Military Arbeit and Military Geld	208
Occupational Governments and Postwar Reconstruction	209
Section Six: International Trading Policies	213
On International Trade and Investment.....	215
CMEA's Fixed Exchange Rates and its Hard Currency Shops.....	217
Japan's Lost Decades and the Rise of Zombie Firms and Zombie Banks.....	219
Exchange Rates and the Impossible Trinity.....	221
Applications of Autarkic and Protectionist Trade Policies.....	225
On Movements of Arbeit, Geld, and Information	230
Bilateral Real Trade.....	230
Multilateral Real Trade.....	231
On Formation of Customs Unions and Monetary Unions	232
On the Propagation of Information	232
Political-Economic and Currency Unions	235
Potential Feasibility of the Work-Standard as a World Reserve Currency	239
Section Seven: Work-Standard Applications of Technology	245
Introduction to the Art of Technology	247
The Tactical Logic of Technology.....	251
The Operational Logic of Technology	257
The Strategic Logic of Technology	261
Artistic Creativity and Innovative Ingenuity with the Work-Standard.....	265
Political Organization Problem's Foreclosure on Economic Calculation.....	267
On the Diversification of Production in Goods and Services.....	268
Expressing Identities through Technology	271
Project Cybersyn and Ernst Jünger's 'Phonophores' and 'Luminar'.....	274
The Internet, the Y2K Bug, and the Work-Standard's Mechanization Rate	279
Why the "Splinternet" is an Alternative to the World Wide Web (WWW).....	283
Technology and the War Effort (Pt. 1 of 3).....	286
An Arms Race of Military-Industrial Complexes.....	286
On Armaments and Energy Production	287
On Military Technology.....	288
Prelude to Financial Warfare.....	289

Technology and the War Effort (Pt. 2 of 3).....	291
“Socialism in Words, Imperialism in Deeds”	291
Attrition Warfare under Financial Warfare	292
Economic Warfare under Financial Warfare.....	294
Electronic Warfare and Cyberwarfare under Financial Warfare	295
Worldview Warfare under Financial Warfare	296
Technology and the War Effort (Pt. 3 of 3).....	298
“Free to Choose?”	298
“Capitalism with Prussian Characteristics?”	299
Nóvaya Ekonomícheskaya Polítika (“New Economic Policy”).....	299
Kadarism and Titoism.....	300
The Chinese Birdcage and Doi Moi.....	301
Thus Spoke Nietzsche’s Lenin	302
Wartime Rationing, MPCs, Payment Cards and ATMs, and PX Exchanges.....	305
Section Eight: Basic Guide to WSA.....	307
Introduction to Command-Obedience Account Bookkeeping.....	309
National Accounts (Pt. 1 of 4).....	313
How to Find Quality of Arbeit.....	313
National Accounts (Pt. 2 of 4).....	316
How to Find Quality of Geld.....	316
State Foreignization Investments	317
National Accounts (Pt. 3 of 4).....	319
How to Find Real Total Economic Potential.....	319
How to Find Real Total Financial Potential.....	320
National Accounts (Pt. 4 of 4).....	321
Preliminary Precautions	322
How to Find Qualities of Digital Arbeit and Digital Geld.....	323
Contributions from the Military-Industrial Complex	323
Contributions from Financial Investments.....	324
State Accounts.....	326
State Account: State Income.....	326
State Account: Digital & Military Production.....	326
State Account: Financial Investments	327
Communion, Social and Household Accounts.....	328
Communion Account: Organizational Income	328

Communion Account: Organizational Finances.....	328
Communion Account: Organizational Spending	329
Social Account: Social Income.....	329
Social Account: Social Finances.....	329
Social Account: Social Spending.....	330
Household Account: Household Income	330
Household Account: Household Finances	330
Household Account: Household Spending.....	331
Domestic and Foreign Accounts.....	332
Domestic Account: National Costs	332
Domestic Account: National Development.....	333
Domestic Account: National Spending.....	333
Foreign Account: Foreign Reserves.....	334
Foreign Account: Foreign Development.....	334
Foreign Account: Foreign Spending	335
WSA Financial Reports.....	336
Workflow Statement.....	336
Income Statement.....	337
Balance Sheet	338
State Budgetary Allocations.....	339
The Workweek.....	339
Allocating the State Budget.....	340
Paygrades and Prices.....	342
How State Commissariats determine Prices.....	342
How State Commissariats Set the Paygrade Scale.....	343
Section Nine: The Federalist Worldview	345
Goals of the Federalist Worldview	347
Role of the Federal Government.....	347
“Open Nationalism”	348
On Technology and Religion.....	348
America as Perpetual Union	350
On Perpetual Union	350
Overview of the Constitution	351
Relevance of the Amendments.....	352
Historical Development of American Federalism	353

Dual Federalism	353
Cooperative Federalism	354
New Federalism	355
Interpreting the US Constitution	358
Interpretation by Historical Context: Textualism	358
Interpretation by Original Definition: Originalism	358
Interpretation by Practicality: Pragmatism.....	358
Interpretation by Moralistic Appeal: Moral Reasoning.....	358
Interpretation by Intergovernmental Relations: Structuralism	359
Interpretation by Apolitical Legalism: Judicial Precedence.....	359
Interpretation by Governmental Procedure: Historical Practice	359
Interpretation by National Consciousness: National Ethos.....	359
Limitations of the Constitutional Interpretations	359
Hamiltonianism in contemporary America (Pt. 1 of 2).....	361
The Enduing Significance of 2016.....	361
Today a Movement, Tomorrow a Party?	362
Hamiltonianism in Contemporary America (Pt. 2 of 2).....	366
Hamiltonianism on the American Right: Right-Hamiltonianism	366
Other Factions of Right-Hamiltonianism.....	367
Hamiltonianism on the American Left: Left-Hamiltonianism	368
Problems of Left-Hamiltonianism and Right-Hamiltonianism.....	369
America under Jeffersonianism.....	370
1971-1973: Nixon's Jubilee	370
1945: The Empire of Liberty's Birth.....	372
Another World Order?	374
Organizational Structure	374
Worldwide Economic Socialization	375
Worldwide Political Socialization.....	378
Section Ten: The Federalist American Union.....	379
Temporary Happiness or Eternal Glory? (Pt. 1 of 2).....	381
Temporary Happiness or Eternal Glory? (Pt. 2 of 2).....	383
"E Pluribus Unum".....	383
Socioeconomic Restructuring.....	385
Returning to the American Essence (Pt. 1 of 2).....	387
Unified Federalist Student Economy.....	387

Unified Federal-State VCS Economy.....	388
Returning to the American Essence (Pt. 2 of 2).....	391
Federalist Financial Regime.....	391
Federalist Intranet.....	394
Greater America Amendment	395
New Amendment or New Constitution?.....	395
Ideologies of the Hamiltonian Worldview	396
Conclusion: Neither Democrat nor Republican but Federalist!.....	398

Introduction: “Where Countless Honors Wait”

The term “Socialism” continues to be the most profound topic in the political discourse of these United States of America. Its prevalence, its relevance surpasses that of another ubiquitous term, “Conservatism.” Everyone invokes the term with their own definitions and meanings. Everyone projects their most personal fears, anxieties, hopes, aspirations, hatred and love onto the word itself, oblivious to the inherent limitations of its applications. Is Socialism supposed to be a natural instinct or a technocratic bureaucracy? Is it the ongoing goal of Western Civilization or a temporary phase which allegedly ended in the so-called “Cold War?” Is it the same as Marxism (“Scientific Socialism”) or is it part of an older legacy that predates Marxism by several centuries?

These questions were never given any resolute answers throughout US History, nor has there been a satisfactory description of what Socialism is supposed to be. This difficulty in comprehending the form and actuality of a Pure Socialism by American Socialists and non-Socialists alike is the textbook definition of David Hume’s “*Is/Ought Problem*.” Barring the obvious interpretations provided by Marxists and Mormons, most conventional US definitions of Socialism focus more on *what it ought to be* than *what it shall be*. The same is also true for the myopic rhetoric peddled by Liberal Capitalists about America always being a “Liberal Capitalist regime,” presenting skewed distortions of historical realities in the American Way of Life. A genuinely authentic All-American *Pure Socialism* remains elusive because too many everyday Americans simply do not know their own history.

The problem with implementing *Pure Socialism* in the US is far more fundamental than the petty, mundane affairs of “income inequality and wealth redistribution,” “gun rights and property rights,” “identity politics and social justice,” “taxes and spending,” “race and religion,” the “US National Debt and US Trade Deficits,” and the role of the Federal Government.” These issues, while understandably important for many, are not the real crux behind any serious attempt at implementing *Pure Socialism*. Everything depends on whether *Pure Socialism* resonates with the American Essence, the quintessential definition of Americanness. They must be prepared to testify before the Federal judge and jury at Federal court, under the possible penalty of perjury, that Socialism is enshrined in the Preamble of the US Constitution. That the old Federalist Worldview and the contemporary attitudes of American Conservatives and Socialists share the same primordial point of origin in US History.

Pure Socialism, like the American Essence itself, is not a recent phenomenon. It predates the New Deal programs of the “Progressive Era,” the Muckrakers, Suffragettes, Old Progressives, and Temperance Movement of the “Gilded Era,” the Unionists and Confederates of the Civil War and the broader “Antebellum Era.” The primordial point of origin was in the Thirteen Colonies, the same Thirteen Colonies that were once subjects of the British Crown and later declared independence from the British Empire in the Revolutionary War. It was during the 18th Century that the American Essence gradually emerged, sowing the seeds of Pure Socialism and creating a distinct national identity that distinguishes the American people from the English-speaking world and why they have much more in common with the German-speaking world. These are incontrovertible historical facts, not literary figments or theoretical abstractions. Still, what significance is there for American Socialism having its origins in the Thirteen Colonies, the Revolutionary War, the Constitution, the Federalists and Anti-Federalists? But more importantly, is there any meaning to be ascribed to why the American Essence is a contradictory fusion of British and German cultural attitudes and social behaviors?

The cultural, traditional, lingual, and even spiritual foundations of the Thirteen Colonies are predominantly British and German (or, more precisely, English and Prussian) in origin. One

cannot begin to appreciate the American Way of Life without developing an acute self-awareness of their presences and opposing visions of America. There is an important chapter in an immigration-related document from the US Library of Congress that alludes to the American Essence being a synthesis of the German and British Essences. The whole transcript reads:

“By the middle of the 18th century, German immigrants occupied a central place in American life. Germans accounted for one-third of the population of the American colonies, and were second in number only to the English. The German language was widely spoken in nearly every colonial city and was circulated in locally published periodicals and books. When the members of the Continental Congress first met in Philadelphia, they walked down streets lined with German businesses sporting German signs, and their deliberations were reported in German broadsides and debated in German coffeehouses. When the Declaration of Independence was signed on July 4, 1776, a German newspaper was the first to break the news, and German copies of the Declaration were on the streets the next day.

The strength and vitality of German publishing was one of the cornerstones of German culture in America, and one of the reasons for its tremendous success. Since Johannes Gutenberg invented movable type in 1440, Germans had been at the forefront of the printing industry in Europe, and they carried this tradition with them to the American colonies. The first Bible in America was published in German by Christopher Saur, a German printer in Philadelphia. By the time of the American Revolution, most of the cities and large towns in the colonies supported at least one German newspaper, and some had two. German newspapers, broadsides, almanacs, and books became the glue that held the German American community together, and helped maintain a sense of social cohesion among immigrants that were scattered widely up and down the eastern seaboard, in bustling cities and in remote farm settlements. This cultural glue held its force for hundreds of years, and reinforced German Americans' identity well into the 20th century.

The military traditions of German-speaking immigrants also made a significant contribution to revolutionary America. At the outbreak of the Revolutionary War, Germans from all over the American colonies formed volunteer militia companies. General Friedrich Wilhelm von Steuben, who had served as a general staff officer with the Prussian army, volunteered to serve General George Washington without pay and was put to work organizing and drilling the sometimes ragged volunteers of the Continental Army. Von Steuben's Prussian discipline and tactics were to a large degree responsible for the Revolutionists' later military victories, and his manual of regulations formed the basis of the manual of drill and organization used by the United States Army today.”

At the heart of the American Essence lies the “English-Prussian Dialectic,” the American Way of Life as the centuries-old synthesis of the “English Instinct” and the “Prussian Instinct.” *The Work-Standard* supports a long-standing historical argument about the origins of Capitalism and Socialism, insofar as these two terms are commonly understood by political scientists and economists, being England and Prussia in the wake of the Protestant Reformation. The exact timeframe in which both countries conceptualized Capitalism and Socialism, interestingly enough, coincides neatly with the arrival of European settlers on America’s shores. The English precursor

to Capitalism was “Mercantilism,” whereas the Prussian precursor to Socialism was “Cameralism.” This is an important consideration because *The Work-Standard* has gone to great lengths to verify the veracity of this argument—especially the Prussian origins of Socialism, with entire Entries devoted to investigating the political and economic policies of various Socialist Nations and finding similarities between them and Prussia.

The *English-Prussian Dialectic* deems all economic life as the extension of all political life. Its premise pertains to a question of power, particularly the powers wielded by an Individual and those wielded by the People. *Either the real powers of the US belong to an Individual or else they belong to the People, the State Governments or the Federal Government.* Nothing about the *English-Prussian Dialectic* should be considered too unusual or even out of the ordinary insofar as these tendencies have shaped and molded America into its own sovereign nation.

US History contains various instances where the Prussian half of the American Essence shaped the American Way of Life in a distinctly German pattern. They are important staples in the everyday lives of most Americans, unaware of their historical origins or why these historical facts are relevant to the conceptualization of *Pure Socialism*. Three examples stand out.

There is the US Electoral College, which has its origins in the German Electoral College. Just as the US Electoral College serves alongside the US Congress by fulfilling the role of electing the next President of the United States, the German Electoral College had a similar role of electing the Kaiser of the German Reich on behalf of the legislative body called the *Reichstag*. In the German electoral process, the Catholic Pope coronates the Kaiser in an official inauguration. The American version differs by having the American People coronate the President instead.

The highly-stratified, hierarchical social structures of these United States are reminiscent of those found in the German Reich. There was a delineation between the “Reich Government,” the “State Governments,” and the “Municipal Governments” German Reich, the characteristics of which were partially replicated in the US. One notable instance includes the known inclinations toward the provision of autonomy to US States and German States. US States are capable of joining and participating in Compacts under the US Constitution and the Federal Government is able to own and operate Federal lands independent of those owned by the States. Similarly, German States had similar equivalents called the “*Städtebünde*” (Band of Cities) such as the Hanseatic League or the Lusatian League, while accommodations were made for certain areas to fall under the authority of the Reich Government under the “*Reichsunmittelbarkeit*” (Reich Immediacy).

The eastward expansion of the German Reich, the *Ostsiedlung* (Eastward Settlement), was later replicated in these United States as the westward expansion of the Union beyond the initial Thirteen Colonies. The American “*Westsiedlung*” (Westward Settlement), originally begun by the British under the “*Royal Proclamation of 1763*,” was later repurposed by the US to mark its initial western border along the Mississippi River like an “American Rhine.” This was the result of the Seven-Years War, otherwise known in US History as the “French and Indian War.” It is the same conflict that Prussia fought in and later emerged victorious as a major European power.

Furthermore, and perhaps unbeknownst to some Americans of all ideological persuasions, the *English-Prussian Dialectic* exists across a vast variety of political, economic, social, cultural, technological and financial topics. These topics cannot be neatly framed along the Left-Right Political Spectrum as being “Leftist,” “Rightist,” or “Centrist.” They can be traced back to the US Constitution being a Living Document that is best interpreted with the Founder’s Intent in mind. Here are some timeless questions worthy to consider as one reads *The Work-Standard*:

- Is the American Way of Life a *Pursuit of Temporary Happiness* or one of *Eternal Glory*?

- Is Pure Socialism enshrined in the Constitution's *Bill of Rights* or its *Preamble*?
- Is the United States Congress a *Representative Parliament* or a *Delegative Council*?
- Is political life defined by an Electoral College of "*State-Electors*" or "*Federal-Electors*?"
- Is economic life defined by "*Planned Economy*" or "*Command Economy*?"
- Is social life defined by "*Blood and Wealth*" or "*Rank and Achievement*?"
- Are Property Rights defined by "*Private Property*" or "*Productive Property*?"
- Shall the US Currency be the "*United States Dollar*" or the "*United States Note*?"
- Shall US Education be defined by a "*Federal Education*" (religious education is part of the curriculum) or "*State Education*" (religious education is absent from the curriculum)?
- And which powers shall be delegated by the State Government and which powers shall be delegated by the Federal Government?

Although these questions are related to specific Entries throughout *The Work-Standard*, all of which are addressed in a generalized manner in order to demonstrate the feasibility of the Work-Standard for non-Western nations, they will be revisited again in the final Entries. The final Entries offer detailed summarizations of everything discussed elsewhere in the treatise, where questions related to the constitutionality of the Work-Standard will also be addressed. For now, the formal conceptualization of *Pure Socialism* in America, its formal Political Science taxonomy, its prominent influences and contributors of American Socialism is the next topic of discussion.

“What is the American Essence?”

“What is the American Essence?” will always be the overarching question presented by *The Work-Standard* in relation to the Americanization of *Pure Socialism*. Moreover, it is possible for the reader to reapply that same question to their own nation (“What is the National Essence?”) because America is a very diverse country with *People’s Communities* from the rest of the world. Given the right circumstances, any experiences learned by one *People’s Community* in the US can be reapplied to their own homeland. It all depends on whether the youth, the next generation, is cognizant of their ancestral origins and finds a balance between themselves as Americans and as the descendants of immigrants who arrived here at various points throughout US History.

Unlike Liberal Capitalism, that question itself is capable of being approached from so many different observations, providing ample opportunities to devise potential applications and give meaning to *Pure Socialism*. It should be recalled from the Introduction that *Pure Socialism* has yet to be defined. That was a deliberate decision on the Author’s part in order to demonstrate that Socialism was never meant to be a monolithic ideology where one definition prevails. As a term chosen to differentiate itself from the countless other Socialisms, *Pure Socialism* is best understood as a blank slate, a white sheet of computer paper, or what Immanuel Kant had once referred to as a “*ding an sich*” (a Thing-in-Itself). *Pure Socialism* remains in that condition until somebody decides to delve beyond its mere outward Label, discovering its Essence and molding *Pure Socialism* into an existing Socialism or else creating an entirely new Socialism from scratch. The implications alone necessitate a “Scientific/Artistic Socialism Distinction” to separate the Non-Marxist Socialisms from the Marxist Socialisms.

To identify any Socialism and distinguish it from all others, determine whether somebody is trying to find the definition of *Pure Socialism*, contextualizing the ‘Value’ of its Label and Essence, fashioning its *Gestalt* (Form) to suit a particular *Weltanschauung* (Worldview). This methodology is more akin to an Artform of well-established Aesthetics and Styles, instead of a Science of well-tested Hypotheses and Theories, the latter being the real cause behind why most Americans often struggle to properly define their American Socialism, hence the question “What is the American Essence?”.

A recurring demonstration throughout *The Work-Standard* involves “Nietzscheanism,” a Socialism modeled after the Philosophy and *Weltanschauung* of Friedrich Nietzsche. Despite Nietzsche himself having expressed his own skepticism toward Socialism, that has not stopped Marxists and non-Marxists alike from conceptualizing a “Nietzschean Socialism.” Nietzscheanism can be split into two variants, “Prussian Socialism” and its two distinct subvariants, and “Nietzscheanism-Leninism.” The latter is an original creation of this Author based on another counterintuitive argument that “Vladimir Lenin was Nietzsche’s Zarathustra.” While not serving as the real focus of American Socialism, Nietzscheanism nonetheless provides a convenient template of demonstrating the transmutation process of *Pure Socialism* into Artistic Socialism.

In the American Essence, there are only two distinct American Ideas that serve as political testaments to the *English-Prussian Dialectic*. Those are the “Federalist American Union” and the “Empire of Liberty,” its historical adherents being two opposing parties among the American Founding Fathers, the “Federalist Party” and the “Democratic-Republican Party” respectively.

The Federalist Party (“Federalist American Union”)

Upon swapping Nietzscheanism for the American Essence, the Author has found two candidates for a distinct *Artistic Socialism* called “American Socialism,” as well as an “American

Social-Democracy,” the latter of which has already been implemented through Progressivism. The first is “*Hamiltonian Federalist Socialism*” (the Socialism of a Federalist Faction led by Alexander Hamilton), the other “*Madisonian Federalist Socialism*” (the Socialism of another Federalist Faction led by James Madison). For those who do not know, Hamilton and Madison were two of America’s Founding Fathers, the key leaders of America’s first political party, the Federalist Party, and two of the three authors who wrote *The Federalist Papers* under the penname of “Publius.” The third author, John Jay, is more aligned with Hamiltonian Federalism than Madisonian Federalism for reasons that will be made apparent in later Entries related to US History.

Based on *The Federalist Papers* as well as the *Gestalt* and *Weltanschauung* of the Federalist Party, there is a genuine rivalry between Hamiltonian Federalism and Madisonian Federalism, which can be corroborated by various obscure historical events in US History that go beyond how the US Constitution was ratified and later amended over the centuries. The point of contention is of course the “Great Divergence” within the Federalist Party. It is also expressed by the “Empire of Liberty” and “Federalist American Union.” If those two Federalisms are allowed to define *Pure Socialism*, the result is a *Social-Democracy* and an *Artistic Socialism*:

- **Madisonian Federalist Socialism** (“Madisonianism”), sometimes referred to as “Bill of Rights Socialism” by its adherents, identifies American Socialism with the Bill of Rights and the short-lived proposal by Franklin Delano Roosevelt to amend the Constitution to include an “Economic Bill of Rights.” The New Deal, the Great Society, and the more recent Green New Deal are its manifestations. Well-known historical and contemporary adherents include the Democratic Socialists of America (DSA) and Communist Party, USA (CPUSA), two organizations whose members have officially espoused Madisonian Federalist Socialism. The unambiguous aims have always been the creation of an American Social-Democracy, the “social safety net” deterring any serious opposition to the American manifestation of Liberal Capitalism (“Neoliberalism”).
- **Hamiltonian Federalist Socialism** (“Hamiltonianism”) vehemently condemns the deliberate identification of American Socialism with the *Bill of Rights*, preferring instead to equivocate American Socialism with the *Preamble*. This is supported by Hamilton’s own criticisms of the Bill of Rights in *Federalist Paper No. 84* and the outlining of important justifications for why the Federal Government must lead the Union in *Federalist Paper No. 85* as a reiteration of arguments in *Federalist Paper No. 1*. The latter, also penned by Hamilton, is the source of Hamiltonian Federalist Socialism’s Idea of the Federalist American Union, a Union far greater than the sum of its own States. It is because of this that Hamiltonianism is also opposed to all notions of defining America as an Empire of Liberty. As of late, no political party officially advocates for Hamiltonianism due to the predominant influence of America’s second political party, the *Democratic-Republican Party*.

The Democratic-Republican Party (“Empire of Liberty”)

The organizational composition of the Democratic-Republican Party since the Civil War has been a “two-party system” with a “third party” that consistently emerges in the form of “bipartisanship.” Their Presidents and Congresses are responsible for an overwhelming majority of US foreign and domestic policies being pivoted toward the Empire of Liberty, despite the attempts of certain US Presidents and others to redirect America toward the Federalist American Union. Regardless of time and place, that Party remains split into three Factions:

- Democrats are the “Madisonian Faction” the legacy of Thomas Jefferson’s protégé James Madison. It is appropriate to deem the Democrats as the “Madisonians” due to their consistent advocacy of ‘greater economic equality’ and ‘representative governance’. This reflects the *Gestalt* and *Weltanschauung* of Madison as the Virginian slave plantation owner who also believed that every US household should have its own slaves. Madison was notorious for cracking like an egg by failing to practice fiscal discipline and being forced to make political decisions regarding the US National Debt and a willingness to raise Taxes on those who owned any slaves.
- Republicans are the “Monroean Faction,” legacy of Jefferson’s other protégé, James Monroe. It is also appropriate to deem the Republicans as “Monroeans” due to their overwhelming support for the Market/Mixed Economy, empowering financial markets and privatized commercial firms as a means of attaining political power. This reflects the *Gestalt* and *Weltanschauung* of Monroe, who believed that the purpose of the Federal Government is to empower Liberal Capitalists like himself. He had harbored strong economic insecurities because he was constantly concerned about those who were in opposition to Slavery.
- And the Bipartisans are the “Jeffersonian Faction,” representing Thomas Jefferson’s own legacy in the realm of US domestic and foreign policymaking. They serve as the ideological vanguard of Jeffersonianism as the *Gestalt* and *Weltanschauung* of Jefferson’s own ambitions from the Revolutionary War. Appealing to vague notions of “American Exceptionalism,” they overwhelmingly promote Neoliberalism to perpetuate the Empire of Liberty.

The best way to understand the Democratic-Republican Party is not with the Left-Right Political Spectrum, but with a more appropriate “Freedom-Security Dialectic.” The ideological positions of the Democratic-Republican Party since the Civil War have been a constant oscillation between the need for greater Security and the need for greater Freedom. The Madisonian Faction favors “*political unfreedom and economic security*,” the Monroean Faction preferring “*political freedom and economic insecurity*.” That is where the Jeffersonian Faction steps in to maintain Checks and Balances, striking a compromise between the other two Factions.

Today, the overall composition, orientation and direction of US politics remains Jeffersonian. It is senseless for anyone inside the Democratic-Republican Party to be advocating for any adulterated Hamiltonianism because the Jeffersonians will oppose such efforts at every opportunity. But that is not to say that there are no US Presidents, Senators and Representatives whose *Gestalt* and *Weltanschauung* could be deemed Hamiltonian. The 20th century alone has witnessed two US Presidents who are not well-known for having embodied aspects of Hamiltonianism (*and, ironically enough, Nietzscheanism-Leninism*), Theodore Roosevelt and Richard Nixon. The former was the historical personification of Hamiltonianism, just as FDR serves as the historical personification of Jeffersonianism and Madisonianism by extension. The latter provided the historical justification for *The Work-Standard* and Hamiltonianism, the “Death of Bretton Woods.” While an investigative study of their Presidencies is beyond the focus of *The Work-Standard*, let it be known that both men are Hamiltonian by Instinct.

Who are the Real Anti-Federalists?

Is it possible for anyone, American or otherwise, to envisage an “Anti-Federalist Federalism” or a “Federalist Anti-Federalism?” Often neglected and ignored in US History

textbooks and the curricula of most American classrooms and lecture halls, the Anti-Federalists and their *The Anti-Federalist Papers* are worthy of mention here in relation to the American Essence. It is true that the Anti-Federalists constituted themselves as an entirely different Gestalt and Weltanschauung, but they can also be beneficial for the purposes of Hamiltonianism. Certain Entries in *The Work-Standard* have Anti-Federalist undertones that pertain to the following topics:

- America is neither a Republic nor a Monarchy, and yet the Jeffersonians, Madisonians and Monroeans have inadvertently turned America into a travesty of both. The Federalist American Union is a “Perpetual Union” that requires a specific model of democratic governance distinct from the current model under the Democratic-Republican Party.
- There needs to be a real balance in the powers wielded by the Federal Government and those wielded by the State Governments. There may be certain US policies which are more effective if done from the bottom-up by the State Governments as opposed to being dictated from the top-down by the Federal Government.
- Unaddressed, unrectified flaws in the US Electoral College and US Congress have not only raised genuine concerns over excessive presidential and congressional powers, they may even sow the seeds of future disasters that can otherwise be avoided or at least mitigated. Due to the manner in which the US has been organized, revolutionary ways of holding the Federal Government accountable by the State Governments remain forthcoming.
- The Bill of Rights may have done the complete opposite of “protecting” the freedoms and securities of the Individual. Between Madisonianism and the Democratic-Republican Party operating on a Freedom-Security Dialectic, it has instead “infringed” on certain freedoms and securities that will require proper solutions once the US adopts Hamiltonianism.
- ***How many Americans are aware of the fact that the US, legally speaking, is operating in a State of National Emergency since 1979?*** Or the fact that the 9/11 attacks have given rise to a “Surveillance Capitalism” that profits from the mass surveillance of digital communications and the personal information of innocent Americans? There is even the strong possibility that the Democratic-Republican Party may have broken the Constitution through reckless declarations of “National Emergencies” by Jeffersonian Presidents as US foreign policy(!), the most egregious being ***Executive Order 12170***.
- Hamiltonianism must resolve important economic and financial questions related to the *Productive Forces* and the *US National Debt*, neither of which were given proper conclusions by Madisonianism in the best of circumstances. Additionally, key questions pertaining to “Federal Ownership,” “State Ownership,” “Federal Taxation,” “Native American Tribes,” “Religious Groups,” and so forth remain unaddressed.

In closing, any Americanization of Pure Socialism inevitably leads to Hamiltonian Federalist Socialism. American Socialism will continue the legacy of American Federalism, condemn Madisonianism as the controlled opposition of the Madisonian Faction – the “Democrats,” and present an entirely different American Idea for the American Way of Life. The Federalist American Union is that Idea. Everything begins with a return to the American Essence and its *English-Prussian Dialectic* and the introduction of a revolutionary currency system.

At the Gates of Tomorrow's Yesterday

Socialist Economy requires Socialist Finance; “never pour new wine into old wine bottles.” The lessons of the previous century, including the gradual market reforms and downfalls of Socialist regimes, have demonstrated the justification for a proper form of Socialist Monetary Policy (SMP) to complement existing Socialist economic policies. The international financial system of Liberal Capitalism has grown increasingly volatile since the death of Bretton Woods and the rise of Fiat Currencies. The Gold Standard, like the Silver Standard in the late 19th century, has proven itself to be too inflexible and incapable of adjusting to changes in overall economic conditions. This fact alone contributed to the rise of “Monetarism,” “Supply-Side Economics,” “Derivatives,” “Cryptocurrencies” and the more recent “Modern Monetary Theory” as Liberal Capitalist attempts to fill in the financial void since the 1970s.

The Value of all Currencies around the world still remains at the mercy of financial markets and commercial banks that decide their Price according to the Incentives of Supply and Demand. This set of arrangements did not bode well for past Socialist Nations, where they have been forced to enact market reforms that eventually brought about their demise towards the end of the 20th century. Even the People's Republic of China (PRC), the other powerful Socialist Nation besides the former Soviet Union, had to make compromises with its Currency, the Renminbi. Although Socialism continues to be advocated in the West and maintained in various parts of the developing world and former Eastern Bloc countries, the lessons of those years have yet to be studied with financial insight from a Socialistic worldview in mind.

For Liberal Capitalist regimes and the Western world in particular, the current financial and monetary policies have proven to be unsustainable to the point of being ridiculous. Capital has grown so abstract that it is now possible to speak of a separate economy all unto itself and is virtually unaffected by the realities of actual national economies. It has also become so easy to create in absurd quantities that all the problems of Inflation and rampant Depreciation have not been properly addressed the growing Sovereign Debts of whole nations. Today, all nations are becoming overburdened by an accumulating deluge of Debt. The effects of Debt, even in spite of attempts at renegotiation through refinancing, continue to impact whether the quality of life in any nation thrives or stagnates.

This fact alone has not prevented all sorts of people from advocating for a return to the Gold Standard and others to promote Modern Monetary Theory (MMT). The difference between both proposals is nil; they represent attempts to resurrect some version of Bretton Woods, refusing to address the real questions related to the accumulation of Debt and the US Dollar persisting as the World Reserve Currency. If there has never been enough Gold in existence to sustain the economies of the world by the 1970s, there will never be enough at all to sustain the Gold Standard in the 21st century or even thereafter. Conversely, MMT continues to a naïve attempt to create Capital without realizing the importance of monetary policy and without knowing that there is far more to the concept of Currency than the ability to create it out of nothing. And at the same time, there are those who promote Cryptocurrencies without realizing that financial power has always been backed by the powers of the State. It also does not help that Cryptocurrencies still requires excessive amounts of electricity and some form of access to the World Wide Web (WWW), the Internet used by billions of people around the world to facilitate a digitalized Blockchain.

All of these proposals, in addition to never addressing the problems of Interest Rates, Debts and the abstractions of Capital, will never advocate for Currencies to be backed by the physical, mental and spiritual strength of the people who constitute the nation-state. None of them are willing

to address the issues of Deindustrialization, Globalization, Climate Change, Automation, Demographics Decline and Economic Stagnation, especially where the issue of Currency is apparent and unavoidable. Continuing to operate under Liberal Capitalist Finance is senseless for everyone interested in any form of Socialism.

The Concept of The Work-Standard

Five decades after Richard Nixon had declared the sudden, everlasting *Death of Bretton Woods*, *The Fourth Estate* is proud to introduce *Sociable Currency* and its distinct Currency Standard, the Work-Standard. The Work-Standard marks the first serious attempt at the proper conceptualization of a financial model to serve as the revolutionary vanguard of Socialist Monetary Policy (SMP). The term *Sociable Currency* best describes any Currency pegged to the Work-Standard, distinguishing it from the more mundane Commodity Currencies, Representative Currencies, Fiat Currencies, and Cryptocurrencies.

Issued by the Socialist Nation, *Sociable Currency* is pegged to the *Quality of Work* exerted by the national economy. Every economic activity and financial transaction within the national economy flows from the Life-Energy of everyone involved. The Worker's commitment of physical, mental and spiritual strength into an occupation is their Life-Energy. One may be inclined to argue that this Life-Energy is also related to the *Mehrwert* concept, the *Surplus Value* which the Worker attributes to their "Work," independent of the "Capital" and "Debt" required to sustain the continuation of Neoliberalism.

The Worker pursues their life-long profession as a *Vocational Civil Servant*, channeling their Life-Energy toward the creation of *Work* through the State itself. All *Works* of the Socialist Nation naturally accumulate inside a *Life-Energy Reserve*, which allows the Central Bank to convert all *Works* into *Money* denominated as *Sociable Currency*. The *Money* is sent to the State, where it is then allocated elsewhere for the flourishing of the whole Nation. *Quality of Work* is what ultimately enables *Sociable Currency* to have any inherent Value. Inferior qualities yield Currency Depreciation and vice versa, there necessitating the importance of a disciplined work ethic and inherent social values.

This *Quality of Work* is affected by the *Work-Productivity* (WP) of the national economy within the overall production of raw materials, finished goods, and everyday services. *Work-Productivity* is tempered by all Expenses and Costs known as *Work-Intensity* (WI). Allowing WP to surpass WI yields a superior *Quality of Work*, which enables the Central Bank to put more *Money* being put into circulation. It is because of these arrangements that the Work-Standard serves as the only Currency Standard to realize *Economic Socialization* (ES) as opposed to "Economic Liberalization," paving the way for the eventual articulation of genuinely authentic Socialist Finance and Socialist Financial Technology (Fintech). *Economic Socialization* (ES) is not just a fiscal or monetary policy; it marks the beginnings of *Pure Socialism*, the rejuvenation of the *National Essence*, and the eventual realization of "from each according to his abilities, to each according to his needs."

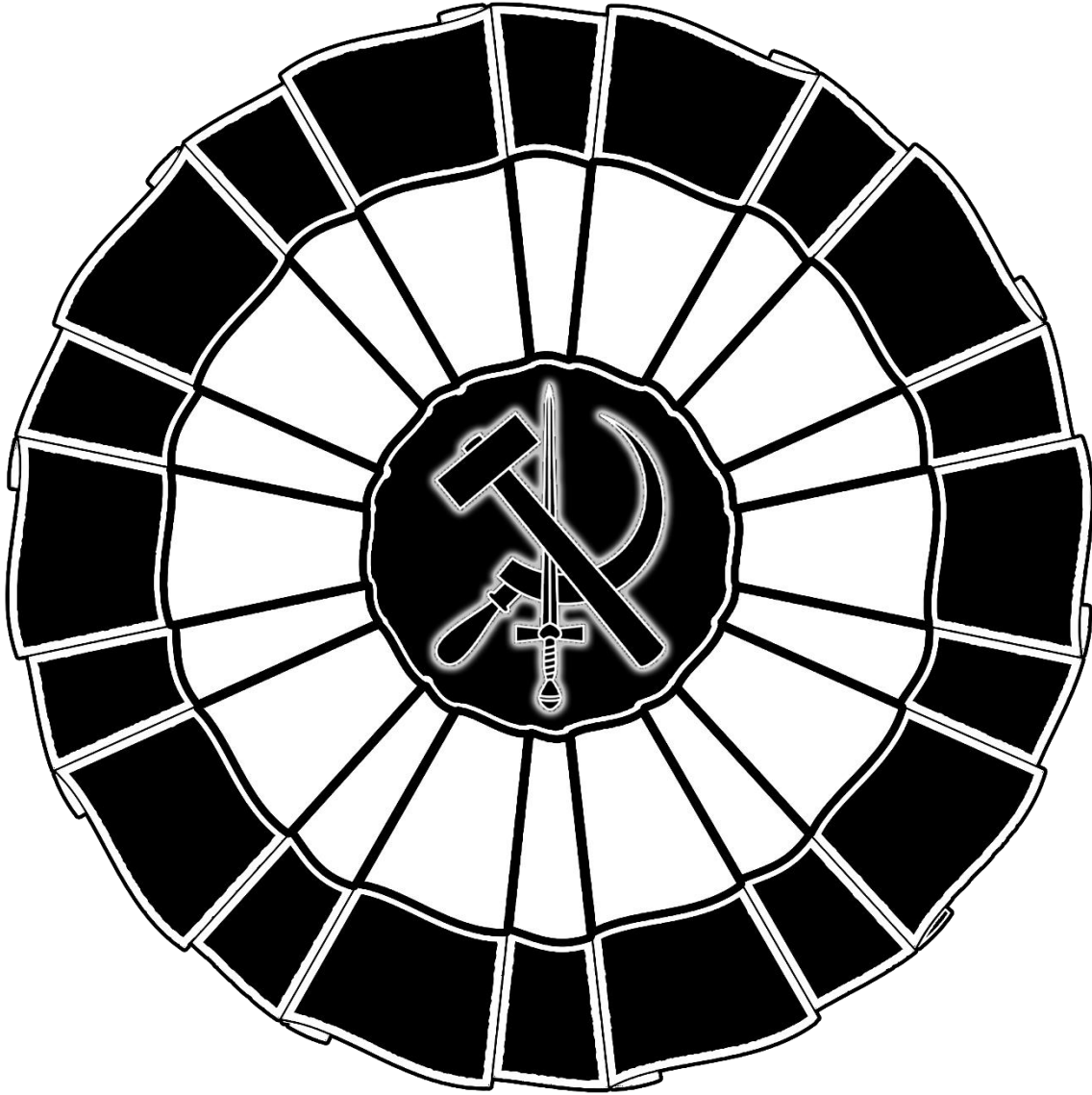
Sorays into Unrealized Opportunities and Untapped Potential

There is more to the Work-Standard itself than what can be described here. The details surrounding its intended functions and designs are multi-faceted, crossing into various fields and disciplines unrelated to fiscal and monetary policies. Not everything in the Nation requires a lot of Money, just as certain Professions tend to contribute more Work than others to the Life-Energy Reserve. The great challenge is far more than just providing the most accurate information through

the most reliable technologies. There is an ontological factor that affects whether anyone, no matter who they are, will be able to realize their fullest potential.

This *Political Organization Problem* is more than just a governmental issue that only the State can resolve. It is an issue that affects the lives of everyone in the Nation as they live their lives in the service of everyone for everyone (as opposed to “everyone for themselves”). Everyone has their talents, contributions, aspirations and motivations in Life. The State needs to ensure that everyone will coordinate and cooperate with everyone through Economic Socialization, which remains an important area of interest for the Work-Standard.

Section One: Key Terminology



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Incentives

Every conception of Currency relies on a “Command and Control” (C2) Mechanism. A C2 Mechanism is how we can issue orders to others that they need to carry out, providing resources and information to them as part of fulfilling those specific goals. While it is odd to encounter a military concept being described here within economic and financial contexts, a very similar methodology is consistently being employed by both the Socialisms *and* Capitalism itself. The social structures of those historically conceptualized Socialism and Capitalism, the Prussians and English, were stratified hierarchies that made well-delineated distinctions between the rulers and those being governed. The Prussians and English were always like this before the Enlightenment, as evidenced by their “First Estate” of clergy, their “Second Estate” of nobility, and their “Third Estate” of commoners. The “Fourth Estate,” however, is a more recent phenomenon that emerged in the wake of the Enlightenment between the 19th and 20th centuries.

What differentiates the Socialisms from Neoliberalism is how the latter operates according to a “Freedom-Security Dialectic.” Unlike Socialism, where freedom and security exist inwardly in the subconscious of every Individual, Neoliberalism insists upon freedom and security as existing outward. That no Individual is truly capable of being inwardly free and secure and only a government can provide freedom and security. It is important to note that the Liberal Capitalists do not describe the freedom-security dialectic as such, preferring to call a ‘freedom-coercion dialectic’ that finds its purest form as the “Non-Aggression Principle” (NAP).

The significance of the *Freedom-Security Dialectic* as an overriding factor in Liberal Capitalism is telling. It is apparent when the Liberal Capitalists themselves are defining “security” as a form of ‘coercion’. It is also evident in the distinct manner they define their conceptions of Property, Private Property and Common Property, with aspects of the Non-Aggression Principle in mind. Such language here implies that all Individuals, no matter how ‘secure’ they may claim to be, are somehow insecure by nature and therefore unfree. Freedom and security, Liberal Capitalists argue, never originates from within any Self but from without by a civil government.

Does one not realize that such inward unfreedom and inward insecurity, no matter how outwardly free and outwardly secure they are, reduces them to that of an ‘indentured servant’? Does one not realize that an inward freedom, inward security is tantamount to one becoming a ‘Vocational Civil Servant’ in the Socialistic sense?

There are fundamental differences between being an indentured servant under Liberal Capitalism and a civil servant under Socialism. An indentured servant is an involuntary mode of being that is not too far away from literally becoming a slave like those African Americans who picked cotton in the Southern plantations prior to the Civil War. They can just as easily be a Northern factory worker who, upon emigrating from Europe, is forced to spend long hours for low wages as an indentured servant on the assembly lines of Chicago, Pittsburgh, or New York. But by contrast, a civil servant is somebody committed to their profession on a voluntary basis or is at least compelled by their State and everyone around them—a “Totality”—that they must be involved in another profession like the military for three years. What distinguishes our Socialistic civil servant from the Liberal Capitalistic slave or indentured servant is their inward senses of freedom and security that stay with them even as they get injured in the workspace or on the battlefield.

Liberal Capitalism tends to conceal these facts by a veneer of outward freedom and outward security within the “social contract” (as opposed to a Socialist sacred oath) that an Individual makes with their “civil society” (as opposed to the Socialist State) under Liberal Capitalism. As Americans, we find elements of this false veneer throughout pre-Civil War America, where the

slaves toiling in the fields are ‘entitled’ to food, shelter and healthcare by the plantation owner just as the indentured servants are ‘entitled’ to a tiny share of this Liberal Capitalist conception of Currency called “Kapital” by the factory owner. We realize that what is ultimately motivating the slave in the Southern cotton field and the indentured servant in the Northern assembly line are never to be found within their economic activities. Instead, it is that outward freedom which the slave looks forward to when he escapes the plantation to the North through the Underground Railroad. It is also that outward security that the indentured servant looks forward to when he notices his next paycheck happens to be slightly larger than the previous one.

These two men hailed from vastly different social backgrounds and ancestral pasts. Neither knows the other and yet both are driven by a C2 Mechanism called an “Incentive.” Incentives serve as the Liberal Capitalists’ C2 Mechanism to compel somebody into doing something. Issuing an Incentive requires a fixed sum of Kapital in either Gold and Silver or Schuld (Debt/Guilt) or else promised benefits and material possessions of the same Value. Nobody bothers to do anything under Liberal Capitalism because they are inwardly unfree and inwardly insecure. The slave toiling at the Southern plantation and the indentured servant toiling at his Northern factory are both aware of this and the same can be said for the Southern plantation owner and the Northern factory owner who just so happened to be cousins. The fact that the Southern plantation owner and the Northern factory owner are cousins, which has been the case for Union and Confederate soldiers on the battlefields of the Civil War, helps to illustrate Incentives.

The cousin owning this slave plantation in the South and cousin owning that factory in the North are never going to fathom why the slave escaped or why the indentured servant went on strike. They instead are going to rationalize that a slave heading north or a worker on strike means lost Revenue and may encourage others to follow as Incentives in themselves. It becomes necessary for the cousin in the South to send slave catchers after the escapee and the cousin in the North to send strikebreakers across the picket line. When the law gets involved, coercive measures may be employed against those who assist the escapee just as similar coercive measures may be employed against those who block any strikebreakers from crossing the picket line. Clearly, neither the Southern plantation owner nor the Northern factory owner values the “Work” done by the slave and the indentured servant under Liberal Capitalism. What Liberal Capitalist ideology instructs those cousins to value more instead is the Kapital generated by their slaves and indentured servants, the ability to exploit and subjugate both the slave and the indentured servant for Profit.

Granted, 19th century America is different from 21st century America: Amendment XIII outlaws slavery and all African Americans are ‘entitled’ to the wages, benefits and salaries enjoyed by other Americans under the rule of law. In reality, what has happened instead is that most African Americans got to receive the similar treatment of immigrants who came to the US. Just as how European Catholic immigrants were discriminated and segregated because of their faith, African Americans were also discriminated and segregated for most of the late 19th and early 20th centuries. Most Americans still retain the status of indentured servants by ‘living paycheck to paycheck’ and thus being a civil servant under Liberal Capitalism is more like a step backward.

‘To live paycheck to paycheck’ or ‘to have a minimum wage job’ elicits negative responses from average people under Liberal Capitalism. Most people perceive their Work as probably next to worthless and confers neither a higher purpose nor even an economic identity that comes with being involved in those economic activities. Everyone works to earn Kapital as their Incentive in Life and everyone is vulnerable to the emergence of “Perverse Incentives” for the right Price. Just as Kapital can facilitate any Incentive, so too can Kapital facilitate every other Perverse Incentive.

A Perverse Incentive is what happens when a given Incentive does not align with what is being expected of those involved. In contemporary America, examples may range from the mundane like restaurant waitresses expecting somebody to leave behind a few US Dollars as Tips to the more illicit like corrupt police officers willing to accept for bribes and looking the other way. The waitress is not being paid enough in Kapital and the corrupt police officers are also not being paid enough. When the waitress gladly accepts the Tips or when the corrupt police accept the bribes, all of them are willingly accepting the commands of whoever is issuing them Kapital.

Similar variations of those two examples also occur within US politics, whenever a billionaire donor or labor union could sponsor the election campaign of career politicians in a Federal Congress that functions more like a Parliamentary Democracy or wherever corporate lobbyists are trying to finance electoral support for proposed legislation. Another variation happens under Liberal Capitalism when bureaucracies protest the decisions of the American Congress of Parliaments to cut Federal funding and 'redistribute' the Kapital elsewhere. The same is also true for those daring to misallocate Federal funds by 'redistributing' the Kapital going to Social Security, Medicare and Medicaid in order maintain a Balanced Budget. These activities and more within the everyday life of most Americans will eventually become normalized as part of a broader Command Culture within the American Way of Life. With Kapital, there is always going to be immense potential for political corruption and scandals to occur from Incentives becoming Perverse Incentives because most Perverse Incentives often begin as certain Incentives becoming more arbitrary than the previous one due to the quantitative nature of Kapital. That in turn is what enables concepts like "Moral Hazard" and "Unintended Consequences" to be given credence.

Supply and Demand

Where there is any conception of Currency, there is a Command and Control (C2) Mechanism facilitating it. And where there is any C2 Mechanism, there is a Unity of Commands with a corresponding Unity of Efforts. Liberal Capitalism's conception of Currency is "Kapital," its C2 Mechanism being the "Incentive." To issue Kapital is to issue a command as Incentives on behalf of a Unity of Effort called "Supply" and a concurring Unity of Command called "Demand."

The term "Supply and Demand" refers to how Kapital and Incentives affect the Values of commodities, goods and services according to the "Use-Value" and "Exchange-Value" as part of determining their "Unit-Prices." Every Use-Value is 'stimulated' by its Marginal Utility by offering the most pleasure for the least pain, the most Kapital for the least amount of effort. Every Exchange-Value is 'stimulated' by the Availability of goods and services in existence based on their overall Quantity and the Frequency at which they can be bought and sold for a listed Unit-Price. In a competitive and functional Market/Mixed Economy, privatized commercial firms constitute themselves as the 'market forces' driving the production of goods and services for profits measured in terms of Kapital Accumulation. The goal of market forces is to facilitate the possibility of an Equilibrium between the Unity of Efforts behind Supply and the Unity of Commands behind Demand based on their Incentives and the Kapital ultimately driving them.

Under Liberal Capitalism and its Market/Mixed Economy, Prices are always in constant flux due to different ideological factors. It is 'ideological' insofar as the factors themselves are dependent on the preceding premise that every Individual is inwardly unfree and inwardly insecure by nature and thus can only be outwardly free and outwardly secure through their government under a social contract with civil society. True freedom and true security do not exist under Liberal Capitalism. "Uncertainty" arises not from whether the information from the economy is factually accurate, but the fact that any Individual, by being inwardly unfree and inwardly insecure, will truly know what they need or even want in Life. That is why Liberal Capitalism deems the outward freedom as "political and economic freedoms" and outward securities as "political and economic securities." Every Market/Mixed Economy creates more Taxes, more Regulations, more Social Welfare and Pension payments, more Consumer and Government Spending, more budgetary deficits and eventually more Schuld (Debt/Schuld) through Kapital Accumulation.

It is through the process of Kapital Accumulation within the Market/Mixed Economy that we encounter those factors. This "Comparative Advantage" causes certain goods and services to achieve a greater Demand by being priced lower and tempered by a greater Supply. There are "Opportunity Costs" that affect whenever somebody decides on one choice over a multitude of other choices, "Marginal Costs" that affect whether somebody decides to produce more of the same thing, and "Deadweight Losses" that arise from trying to achieve an "Equilibrium" between Supply and Demand. Additionally, there are those among us who have certain "Preferences" that may not necessarily be their own insofar as they had originated from repeated exposure to Liberal Capitalist propaganda masquerading as 'advertisements'.

Certain reforms implemented within the framework of Liberal Capitalism do not always bode well. One example involves "Price Controls" that essentially freeze a given Unit-Price in place with a given Floor and Ceiling, incognizant of the Incentives of Supply and Demand. This is how shortages occur because Price Controls do not account for any external changes to current economic conditions and everybody will not always know why the Unit-Price for anything would continue rising. Something similar tends to occur in the context of "Rent Controls," which rises as the consequence of gradual increases in monthly rents. Most people are not going to be aware of

factors beyond their control such as land speculation within real estate, interest rates set by the central bank, or the amount of Kapital one borrows in the mortgage to purchase their own home.

The moment one realizes how Incentives of Supply and Demand operate will also be the moment when they become acutely aware of specific ideological language like “Wealth Inequality,” “Oversupply,” and “Underconsumption.” Wealth Inequality occurs among people ‘living paycheck to paycheck’ and demanding that the people wealthier than them should pay more taxes than they do. The idea functions more like a self-correction of market forces insofar as the aim is to achieve some semblance of Equilibrium by agitating for ‘Wealth Equality’. Conversely, any instances of Oversupply (Supply not in sync with Demand) or Underconsumption (Demand not in sync with Supply) will cause the Unit-Price to fall or vice versa.

Another similar variation is the concept of “Wage Controls,” where the amount of Kapital allocated to a Minimum Wage for instance is either cognizant or incognizant of the Incentives of Supply and Demand. It becomes inevitable within Market/Mixed Economies to expect employees to agitate for a higher Minimum Wage and for employers to agitate for a lower Minimum Wage. Obviously, what is being conveyed here is that the employers shall pay their employees more from the Kapital Accumulation that may not always come from their own respective economic actions. It is more likely to expect the employers and employees of their firm to be receiving some of the Kapital from the loans they receive from the banks, the investments of investors at a financial market, or the tax cuts of the Parliamentary Democracy governing their Liberal Capitalist regime.

There is a very good reason why, when somebody advocates for Socialism in America and the broader Western world, the first question will always be encountered: “Where will you find the Kapital to pay for it?” One does not answer with either or a combination of “more taxes,” “more spending,” “more welfare handouts and pensions,” and more of the same that already occurs under Liberal Capitalism. One does not begin their advocacy for Socialism by trying to exist within the framework of the Kapital and Schuld that naturally accumulates under Incentives of Supply and Demand. Any advocacy of Socialism must operate according to a different way of life with its own corresponding political and social ways of living under its own economic order.

Kapital

The term “Kapital” is used to denote all forms of Currency that originate from the economic and financial activities of Liberal Capitalism. The distinct properties and characteristics that go into the creation of Kapital are tied to the worldview that defines Liberal Capitalism itself as a political-economic Ideology of the Enlightenment. There are four specific types of Kapital within Liberal Capitalism: Bimetallism, Schuld, LCFIs, and Cryptocurrencies.

- “Bimetallism” refers to the Gold and Silver Standards that had dominated much of international finance in the Western world prior to the end of the Bretton Woods System. This form of Kapital relies on the Value of a Currency being pegged to the Price of Gold or Silver. The Silver Standard ended in the 1873 financial crisis that brought about the original “Great Depression” of 1873-1896, replaced by the Gold Standard throughout most of the 20th century. The Gold Standard met its demise in the two World Wars was defined by the British Pound Sterling as the World Reserve Currency, the predominant Currency during the period. It was later superseded by a post-1945 variant which is the subject of this Post.
- “Schuld” is a German word that has two meanings, both of which are employed to describe the deeper meanings behind the contemporary usage of Fiat Currencies. It can mean “Guilt” in a moral sense, and it can also mean “Debt” in the financial sense as well. Whenever a Currency is not backed by anything, it is a Fiat Currency pegged to the Schuld Standard. This form of Kapital has been the most commonly-used variant since the end of Bretton Woods, as evidenced by the spiraling amounts of Schuld accumulated by nation-states for decades. Its composition is a dialectical combination of lending Credits and borrowing Debits.
- “LCFIs” (Liberal Capitalist Financial Instruments) refer to the means of financial production commonly found at Financial Markets under Liberal Capitalist Financial Regimes. With the exception of “Forex” (Foreign Exchange), LCFIs emerged in the centuries since the Enlightenment of the 17th and 18th centuries, as Liberal Capitalism gradually created its planetary hegemony throughout the 19th and 20th centuries. These include Securities such as “Stocks” and “Bonds,” “Derivatives,” “Options,” and “Futures,” as well as “Mortgages,” “Insurance,” and “Commodities.”
- Lastly, “Cryptocurrencies” represent the latest form of Kapital, its conception a byproduct of advancements in the commercial application of computer technologies after Bretton Woods. The historical documentation on Cryptocurrencies were conceptualized between the 1980s and 1990s before finally becoming realized by the advent of the Bitcoin in the late 2000s. Since the Bitcoin’s introduction, an entire industry devoted to this form of Kapital has grown up throughout the 2010s and has proven to be unstable due to the lack of anything backing its Value except for a “Blockchain” that acts as a digital ledger for a limited number in circulation at any given time.

All four types of Kapital prevail in the post-1945 world thanks to the financial hegemony of the US Dollar as the World Reserve Currency. Contemporary origins can be traced back to the Second World War. The terms of the post-1945 monetary order was arranged in the national interests of the US at the Bretton Woods Conference in 1944. The Allied Powers convened in response to the proliferation of protectionism, currency devaluations, and trading blocs that defined the interwar period between the two World Wars. They sought to ensure that the conditions

which created those policies would never be repeated in the latter half of the 20th century. Among the terms agreed upon by the Allied Powers included the creation of the “International Monetary Fund” (IMF) and the “International Bank for Reconstruction and Development” (IBRD), the lending arm of the World Bank. What enabled the rise of US Dollar hegemony was the “Bretton Woods System” that defined Western international finance during the early half of the Cold War.

It should be noted that the death of Bretton Woods has led to a divergence among Liberal Capitalist intellectual circles for decades. It is pure irony because of how they have been able to convince the world after 1945 that Planned/Command Economies are impractical through unanimous consensus but deviate from each other over the question of ***Financial Regimes***. In essence, the latter half of the Cold War did nothing to substantially undermine the viability and feasibility of Planned/Command Economies. What the 1970s and 1990s as well as the decades thereafter have demonstrated is the need for the reapplication of the general premises behind Planned/Command Economies within their own particular ***Financial Regime***. That in turn requires a revolutionary approach to everyday financial practices under Socialism.

The post-1945 consensus in international finance shattered once the Old Keynesian model became increasingly impractical. The ones who refined the original ideas behind John Maynard Keynes’ works, Sir John Hicks, Franco Modigliani and Paul Samuelson, who saw the credibility of their own improvements, had been undermined by the end of Bretton Woods. The onset of “Stagflation” in the 1970s created contradictions in the reliability of the “Phillip’s Curve” by a rise in the Inflation Rate and concurring rise in the Unemployment Rate. This is important because the Phillip’s Curve insists that rising Inflation Rates are correlated by a decline in the Unemployment Rate. It can be argued that the rising Inflation Rate coincided with the end of the Gold Standard, the adoption of the ***Post-Bretton Woods Debt-Standard***, and the difficulties which Liberal Capitalists faced in adjusting to Stagflation and the Energy Crises of 1973 and 1979.

Nevertheless, the Keynesian interpretation of Liberal Capitalism survived the fall of Bretton Woods thanks to the research of economists like Stanley Fischer and John Brian Taylor around the late 1970s and early 1980s. They argued that the Phillip’s Curve needed to be revised to account for explicit nominal price changes and wage-setting. The result led to the creation of “New Keynesianism,” its adherents including Joseph Stiglitz, Paul Krugman, and Nouriel Roubini.

Serving as a counterweight to the prominence of New Keynesianism is the Monetarism of Milton Friedman and Anna Schwartz, who popularized their Anti-Hamiltonian interpretation in *A Monetary History of the United States, 1867–1960*. Friedman was the same historical figure who had devised the market reforms of Augusto Pinochet’s Chile after the overthrow of Salvador Allende and the destruction of ***Project Cybersyn***. Within economics and finance, however, Friedman was known for his rejection of the Gold Standard, condemning all attempts to revive it as impractical, even for Liberal Capitalism. While this causes the Monetarists to be in opposition to the Austrian Schoolers advocating for a return to Bimetallism, the Monetarists themselves also detest New Keynesianism. For the concept of Inflation in the Monetarist interpretation argues that it only arises from Kapital and nowhere else. A number of prominent Monetarists are well-known figures such as Prime Minister Margaret Thatcher and Federal Reserve Chairmen Paul Volcker and Alan Greenspan. Greenspan in particular was once a follower of Ayn Rand’s Objectivism philosophy and addressed concerns about the Y2K Bug among American financial institutions.

While the New Keynesians and the Monetarists remain adamant about not revisiting the Gold Standard, that has not stopped the Austrian School, however. Those who favor the Gold Standard have done so on the belief that the Value of Kapital overall has waned for decades under the Schuld Standard. A similar variation of this interpretation, abetted by the Cybernetic

technologies research of Friedrich von Hayek, is the recent interest in Cryptocurrencies. Although the philosophical concepts are present within von Hayek's lesser-known works on Cybernetics, the technical research coincided with the development of information and financial technologies.

Research into Cryptocurrencies coincided with the conceptualization of "Triple-Entry Bookkeeping" as a precursor to the Blockchain by Japanese economist and accounting researcher Ijiri Yūji. Ijiri outlined the concept of Triple-Entry Bookkeeping in a 1989 monograph entitled, *Momentum Accounting and Triple-Entry Bookkeeping*. A working Cryptocurrency was not unveiled until computer scientist David Chaum refined his own ideas on Cryptocurrencies from 1983 to create "Digicash" in 1995. Over the years, serious research into a practical Cryptocurrency was attempted without success until a certain "Satoshi Nakamoto" (or Nakamoto Satoshi, if one believes that this person is Japanese) invented Bitcoin towards the end of the 2000s. Since the realization of Bitcoin, most Cryptocurrencies have proliferated to overcome the programmed limitations on the Quantity of available Bitcoins. Both Bitcoin and its various derivatives share the notion of creating small amounts of Kapital with excessively large amounts of computing and electrical power. Their mere Scarcity is what enables them to have any Value whatsoever.

A general trend that can be discerned from the divergence among Liberal Capitalists concerns Kapital itself under the Post-Bretton Woods Debt-Standard. Kapital is becoming increasingly abstract and even divorced from the everyday realities of actual national economies. Its growing abstractions ought to be studied as part of the growing abstractions of what passes as "Freedom" and "Security" as these two specific terms are understood by Liberal Capitalism in general. Kapital does provide a combination of both in the forms of material wants and desires, despite the world literally drowning in a deluge of Kapital backed by cheap Schuld. But there is never enough Kapital in existence, just as how there will be too little Kapital in existence, a weakness exploited by Environmentalists in their advocacy of combating Climate Change. However, this 'Freedom' and 'Security' are really contradictions of actual 'Unfreedom' and 'Insecurity' insofar they both manifest themselves as dialectics within "Underemployment," "Wealth Inequality," "Taxation," "Social Welfare," and "Insurance." They are also observable among the more recent interest in Economic Nationalism vis-à-vis the Tiger Economies of Asia and the Social-Democracies vis-à-vis the Nordic Model of Scandinavia.

Intent

Every conception of Currency operates on a Command and Control (C2) Mechanism designed to coordinate a Unity of Command and a Unity of Effort. The Liberal Capitalist conception of Currency is “Kapital” and the “Incentive” as its C2 Mechanism, designed to issue orders with a Unity of Command called “Demand” and a Unity of Effort called “Supply.” The goal for Liberal Capitalists is to find an “Equilibrium” between Supply and Demand. It may seem like an unusual way of understanding finance and economics, but the very concept of Kapital in general relies on “Schuld” (Debt/Guilt) to justify its own existence. It matters very little if Kapital itself is backed by Gold and Silver, Debt, or Cryptocurrencies; the goal of Kapital Accumulation is to pay off the Schuld as part of the “Profit Motive.” Any and all means to wipe away the Schuld become permissible under Liberal Capitalism, up to and including all forms of illegality.

The Liberal Capitalists may deny this or never realize why the German word “Schuld” best describes Kapital, but their conception of Currency affects how everyone in any nation value their Work. People lose sight of why they are doing something and why they exist to begin with because so much of their time and effort is being spent on trying to pay off the Schuld and generate the greatest amount of Kapital with the most pleasure for the least amount of pain. We tend to see this behavior manifest itself in different variations. There are privatized labor unions going on strike to demand higher and higher wages to the detriment of other labor unions, privatized commercial firms driving other firms into inexistence, pensioners demanding larger sums in their pensions, governments levying higher and higher taxes, and corporate lobbyists and special interests subverting the political process for their own personal gain. Here, a very simplistic conception of human existence, “Homo Economicus,” exists in an ideological mold that everyone must conform to the detriment of all other cultural, faiths, ethnic, and national identities.

But these behaviors are not conducive to a healthy, prosperous, and orderly nation. Socialism does not arise from the belief that the working class should be paid more or that the state should control the means of production. The demand for economic freedom through Socialism consistently arises as the demand for a different conception of Work which is antithetical to Liberal Capitalist ideology. What Socialism advocates for is a different economic order, a different way of doing things, its interpretation affected by everyone constituting themselves as part of the nation-state. The “Socialism” of one country differs from the “Socialism” of a neighboring country and vice versa. Culture, tradition, faith, history, nationality, and other key sociological traits are what defines each Socialism in its attempts to implement an entirely distinct conception of Work.

No Socialism in actual practice is going to rely on Liberal Capitalist conceptions of Currency, C2 Mechanism, Unity of Command and Unity of Effort. Practical applications require their own version, and the Work-Standard is more than capable of achieving this. At its simplest form, the Work-Standard advocates for a different conception of Currency where Money (“Geld”) is pegged to Work (“Arbeit”) based on its Quality, Frequency and Sustainability. From a personal level, it matters greatly as to whether an Individual is engaging in any form of Arbeit because it is a part of their Vocation in Life or whether they are involved because of any reward that comes afterward. Arbeit is more focused on the here and now, whether an Individual pursues their Vocation with an inward freedom and inward security (as opposed to the outward freedom and outward security provided by Liberal Capitalism), tempered by Legal Duties and Constitutional Obligations to the whole nation. The Individual will receive the information and resources from the Council State to pursue their Vocation in the determination to create Arbeit and let the Central Bank convert it into Geld as payments for their economic contributions to the Socialist Nation.

If the Socialist conception of Currency—*Sociable Currency*—is “Actual Geld” backed by “Actual Arbeit,” the C2 Mechanism is an “Intent.” The concept of Incentives shall be replaced entirely by this most appropriate alternative. Nobody does anything without an Intent, a coherent purpose in Life. This notion from Liberal Capitalism that people are perfectly rational beings with access to flawless information and calculating everything on the basis of pain and pleasure is ridiculously absurd. People do their work as part of a higher sense of purpose that no government could ever provide. They are informed of this purpose by their national culture and personal upbringing, by their own talents, by God, by history itself or a determination to serve the nation.

Conversely, people are not always going to be rational or reasonable, just as how there have also been people who remain misunderstood, unknown and alienated by Liberal Capitalist ideology. To Liberal Capitalists, they defy Reason itself because what is deemed irrational to them is comprehended in quasi-scientific notions. A true Artistic Socialism, as opposed to Scientific Socialism, resembles an Artform as opposed to a Science. Only from the *a priori* position of Socialism being an Artform can anyone argue that there is no one way of implementing Socialism; Everyone has their own conception of economic freedom, just as they have their own Socialism.

Understanding all Socialisms on their own has its unique benefits. One can be more sincere and direct in their discussions of any Socialism with an authentic sense of constructive criticism. One can freely speak their minds about why they exist as they are, deciding for themselves what their Socialism can learn from other Socialisms from within its own National Essence. This sort of thinking does not exist under Liberal Capitalism because its adherents emphasize the *a priori* argument that no Individual is inwardly free and inwardly secure. Its adherents claim their ideology is binding on all of humanity, refusing to acknowledge the multiplicities of the different ways of life on Earth. Never will they recognize the true dignity of Actual Arbeit.

That is where the concept of Intents become applicable to the Work-Standard. Any Currency pegged to the Work-Standard will now require economic life to be defined by a higher sense of purpose and meaning that cannot be found by simply getting rich and not contributing any more Actual Arbeit by some superfluous pursuit of an “Early Retirement” or a senseless preparation for one’s “Retirement” later on in Life. People need to find a purpose in their own personal lives, which is something no government and no piece of legislation will ever provide. The purpose of Socialism bestowing inward freedom and inward security is to provide everyone with the means to decide for themselves how they wish to live in the Socialist Nation with the National Essence as their touchstone. What their government can do, besides allowing everyone to participate in the means of production, is to lay out the Constitutional Intents informing everyone of why they are free and why they are called to serve others under the rule of law. The sooner one adopts this sort of reasoning, the more sensible the Work-Standard becomes as a viable alternative to the Post-Bretton Woods Debt-Standard.

Command and Obedience

Any realization of the Work-Standard, including the implications of creating a Socialist World Order, must begin with the Socialist Nation. One must recognize the need to go “beyond Good and Evil,” beyond Kapital and Schuld (Debt/Guilt) and the Incentives of Supply and Demand. Such recognition requires transcending the old values through the creation of new ones or, more specifically, the restoration of older values once despoiled by Liberal Capitalism. The Work-Standard relies on a different conception of Currency where the Value of the Actual Geld (Money) is pegged to the Actual Arbeit (Work) of the Socialist Nation through an Intent that relies on the “Synchronicity” of its own Unity of Command and its own Unity of Effort. This Unity of Command and Unity of Effort deserve the appropriately titled “Command and Obedience.”

Command and Obedience marks a departure away from Supply and Demand that characterizes the Market/Mixed Economy. In a Planned/Command Economy, there are “Equipmentalities” (as opposed to ‘Commodities’) whose Values and Prices are affected by their Reference, Relevance and potentiality for context-sensitive Repurposing. Values and Prices of all goods and services are affected by factors of Sustainability, Frequency, and Quality. Unlike the Market/Mixed Economy and its overreliance on quantitative means of production, the Planned/Command Economy is more focused on the *qualitative means of production*. Any emphasis on quality over quantity requires a different understanding of economic life beyond what is already known under Liberal Capitalism.

Command and Obedience’s “Sustainability” refers to the ability in which the production process can continue at the current Price without any major complications. A good analogy involves a food packaging manufacturer producing foodstuffs and delivering them to the local grocery stores and supermarkets. Based on a listed Price, can we expect the production process has enough Sustainability to ensure that there will be no empty shelves like what happened at the end of the Soviet Union’s existence? Does one simply ‘increase production’ and ‘give approximate estimates’, like what the Soviet economic planners had done, or does one try to understand why the risk of empty shelves is becoming inevitable despite ‘increasing production’?

Affecting the production process are the “Frequency” of transactions and the “Quality” of the goods and services themselves. As the Frequency of transactions increases, it is natural to expect the overall Quality of goods and services to decline as attempts are made to expedite the production process. The goal here is to ensure that the Quality of goods and services are aligned with the Frequency at which they are being bought and sold to ensure Sustainability of the production process. Economic Planners under the Work-Standard are to be embedded in every aspect of the production process as opposed to simply claiming that ‘production will increase’ from inside a government building far away from the production process itself. They must socialize with the people they are working alongside them, familiarizing themselves with the goods and services intended for the people who will ultimately buy and sell them at the stores.

Suppose the Quality of goods and services cannot match the Frequency of transactions. There may be possibilities where attempts at realigning Quality and Frequency cannot be achievable. Sustainability declines as the production process struggles to maintain a proper pace. When this happens, the logical response is to increase Prices to reduce the Frequency of transactions, allowing Quality of goods and services to catch up and restoring stability to the Sustainability of the production process. Prices under the Work-Standard are not static like Price Controls; they can and will change based on overall economic conditions.

This in turn is where the concept of Command and Obedience becomes applicable to the purposes of the Socialist Nation. The *Obedience-side*, the Unity of Effort, oversees the production of as many goods and services as possible based on a given Quality. The Quality must meet or exceed the Unity of Command, the *Command-side*, affecting any increases or decreases in the production process based on a given Frequency. As Obedience begins to be in lockstep with Command, the likelihood of attaining Synchronicity increases as the production process maintains Sustainability. Greater Sustainability in the production process causes fewer alterations in Quality and Frequency, resulting in few or no changes to the Price of any goods and services.

When there are few or no changes in the Price of any goods and services, the economic planners begin to reassure themselves of achieving “Synchronicity” under the Intents of Command and Obedience. Synchronicity is discernible for the Economic Planners when they discover the presence of correlations between what is being said and what is being done, indicating a metaphysics governing the everyday thoughts and actions of the Socialist Nation. Everyone knows what is to be expected of them and everyone knows what needs to be done. Everyone works under a *Constitution of Intents and Obligations* as well as a *Legal Code of Duties and Rights*, finding the right tempos and tenors to ensure that there will be plenty of cheap, high-quality food available for sale at the grocery stores and supermarkets.

For those not involved in the production process, the Intent is consistently upheld by the Economic Planners and the personnel producing the goods and services. The Command-side and the Obedience-side must always be synchronized, cognizant of economic conditions and acting accordingly. In short, that is the meaning of Synchronicity.

Arbeit and Geld

The SMP Compendium generally envisages a practical application of the Work-Standard as the conversion of Arbeit into Geld and Geld into Arbeit. The terms ‘Arbeit’ and ‘Geld’ are derived from the German words for “Work” and “Money” respectively. The usage of those specific words in the German language is to emphasize the specific process that the Work-Standard operates on. This is also part of the consideration as to why Arbeit and Geld are not translated to their English equivalents, ‘Labor’ and ‘Capital’ respectively, because those English terms lack the deeper contextual meaning of what the Work-Standard is ultimately implying.

To peg a Currency to the Work-Standard is to create a Sociable Currency by having its Value backed by the Synchronization of “Quality of Arbeit” and “Quality of Geld” from all economic and financial activities. The State, particularly its Financial Regime, is the only power capable of upholding the Value and ensuring it does not fluctuate in terms of Currency Depreciation/Appreciation. Every sector of the economy will contribute Arbeit to the Central Bank in varying increments. Some generate more Arbeit than others and some will yield less due to the nature of the economic sector in question and what the professions within it entail. Technologies compatible with the Work-Standard have the potential to enhance the amount of Arbeit that can be contributed under a given timeframe.

The Council State wields the Intents of Command and Obedience. The Arbeit of the national economy is registered by the Central Bank’s “Life-Energy Reserve.” A Life-Energy Reserve is the accumulated sum of all Arbeit in the Socialist Nation. The Central Bank converts the Arbeit into Geld at a conversion rate specified by the other two members of the State’s Financial Regime, the Head of State and National Legislature. The Head of State must sign into law a specified rate at which the economy’s Arbeit will be converted into Geld. This authorization is to be conducted with the express approval of the Legislature before the Central Bank can be allowed to begin or resume the conversion of Arbeit into Geld.

Once converted into Geld, the State will be able to use it for practically everything that the nation-state will need. From financing State-Owned Enterprises (SOEs) to expanding the ability of the economy to contribute even more Arbeit, the Council State remains final authority as part of a functioning “Council Democracy.” All known State Expenses, such as operating costs, upkeep and repairs, and wages, will be deducted from the Geld that is available as part of the State Budget. Whatever Geld is left after the expenses will then be allocated to the State Budget, where it can then be allocated to various areas of the Socialist Nation through the political process.

It should be noted that the amount of Geld that can be put into circulation is dependent on the overall amount of Arbeit available in the Life-Energy Reserve. The goal of this arrangement is to discourage “Attrition” and the effects of Currency Depreciation. In short, it provides the Intent of mindfulness toward work ethic and the economy’s willingness to avoid overworking itself. But at the same time, there needs to be a similar Intent of mindfulness over neglect, carelessness, recklessness, complacency, which will cause a distinct form of Currency Appreciation called “Inaction.” The Central Bank gauges the extent of Currency Depreciation/Appreciation by means of a special metric called the “Attrition/Inaction Rate.”

The Work-Standard’s distinct metrics, including its equations used to calculate the generation of Arbeit and the conversion into Geld, will be covered within their own entries in the SMP Compendium. These entries will include corresponding ones where the Liberal Capitalist equivalents are discussed in order to address their inherent differences and what the Work-Standard does differently through its own methodology.

Zeit

The etymology behind the usage of the term Zeit in the SMP Compendium originates from the German word for “Time.” Zeit refers to the tertiary unit of measurement in gauging the economic and financial activities of the nation-state. It is meant to operate alongside the primary and second units of measurements employed by the Work-Standard, Arbeit and Geld respectively. With Zeit, the State is able to study the rate at which its economy is capable of contributing a specified amount of Arbeit to the Central Bank’s Life-Energy Reserve, and the rate at which the Central Bank is able to convert that Arbeit in Geld as part of the nation-state’s Financial Regime.

Additionally, Zeit is used to study specific professions or sectors within the economy and their contributions. Not everyone works at the same timeframe. Some people work shorter hours and others may work longer hours. It can be due to personal considerations like family, schooling or health, the details surrounding the profession in question, or even the impact of non-monetary policies by the State and the Technology that is employed by certain Economic Sectors. The real implication that Zeit dares to ask is what can be done under a given timeframe and whether something can be achieved on schedule, ahead of schedule, or behind schedule.

Zeit is also employed as the means of making future projections concerning the conversions between Arbeit and Geld. By studying past trends and practices within the economy, the State can begin making conclusions on whether certain policies will affect the balance between Arbeit and Geld as part of its monetary policies. Another aspect of this particular usage of Zeit is the Central Bank’s decision-making process in setting the Mechanization Rate as the Work-Standard’s Usury-free alternative to the need for maintaining Interest Rates. The Central Bank, based on what has occurred in the past, can plan for the future by setting the “Mechanization Rate” at a specified point in Zeit. The Mechanization Rate can be altered and manipulated by the Central Bank at the formal discretion of the other two members of the Financial Regime.

Under no circumstances whatsoever will Zeit ever be used as something to back the Value of any Currency pegged to the Work-Standard. Where Zeit does present itself as a contributing factor in the relationship between Arbeit and Geld is the State policy on the number of mandatory hours for all work-weeks. The total number of hours in the work-week will affect the amount of Arbeit that can be allocated to the Life-Energy Reserve. Hours that do not contribute any Arbeit is “Freizeit” (Free Time). Having a 40-hour work week is considered to be within the normal bounds. A 35-hour work week is feasible by increasing the Mechanization Rate to enhance the amount of Arbeit that each profession within a given economic sector is capable of contributing.

Longer work-weeks that go from 48 to 56 hours should be considered as being within the bounds of national emergencies and wartime contingencies. Hostile invasions from enemy forces and devastating natural disasters are two good examples for why a work-week would last that long.

Any Arbeit generated from “Überstunden” (Additional Hours or ‘Overtime’), which is to say that someone was asked to work beyond their normal hours, is compensated in Geld by the Council State. The State reserves the political power necessary to set the total number of hours in the work-week, the amount dependent on all economic conditions in the Socialist Nation. Provided that the Socialist Nation is not under circumstances where it must spend longer hours at the workspace for every work-week, the minimum number of hours will be set at 35 hours, the maximum number of hours at 56 hours. Either way, beware of the Attrition/Inaction Rate. Any alterations to the work-week will certainly affect extents to which the Sociable Currency depreciates or appreciates under any given set of circumstances.

Schuld

In the SMP Compendium, Schuld is a German word with two etymological meanings, a legal one and a financial one. The financial meaning is commonly used to refer to “Debt,” which is the amount that an indebted borrower owes to a credited lender. The Currency in question depends on whether the borrower owes the lender Geld (if the transaction was done under Socialism) or Kapital (if the transaction was conducted under Liberal Capitalism). The other etymological meaning buttresses, rather than detracts, the financial significance of this Author’s decision to refer to Debt as ‘Schuld’. The term itself is meant to convey a sense of guilt that may or may not necessarily be legally justifiable. The ‘guilt’ arises from the limitations of a financial system that revolves around endless borrowing and lending that ultimately buries scores of people, firms, institutions, and governments in Schuld.

The ever-growing deluge of Schuld among Western and non-Western nation-states around the world is the consequence of the death of Bretton Woods. In essence, the collapse of the Gold Standard gave rise to the proliferation of Fiat Currencies backed by the “full faith and credit” of the Financial Regime. These Fiat Currencies are designed to generate Schuld because there is nothing that is ultimately backing their Value except the promise of the Financial Regime to enforce its Value and pay any and all dues as Legal Tender. Everything is centered on an incessant cycle of Schuld generated by the creation of Kapital through the lending and borrowing of loans by banks and Central Banks and Securities by governments and Financial Markets.

The proliferation of *Fiat Currencies* has led to the widespread overabundance of Kapital backed solely by the Schuld that they leave behind as the only thing backing its Value. The cycle of Schuld that Fiat Currencies create is capable of overburdening anyone beyond their ability to pay. Individuals and nation-states are not immune to this trend, as the world continues to accrue increasing sums of Schuld with each passing second of every single day. It is mind-boggling for anyone to realize that Fiat Currencies leave behind a trail of Schuld, because there will always be a lender expecting their borrower to pay back what has been owed.

A Currency pegged to the Work-Standard will operate under a different set of parameters. Rather than have its Value be backed by Schuld, it is instead pegged to the Arbeit, the “Work,” generated by the economic activities of the nation-state. This is not to suggest that Schuld ceases to exist entirely. Any Schuld that arises will more often stem from trying to live beyond what is allowed by the means of production. If any expenditures exceed beyond the amount of Geld, of “Money” created under the Work-Standard, then Schuld will begin accumulating. It is unlikely that the need to borrow and lend Geld will be diminished due to the distinct properties surrounding how the Work-Standard operates. The key driver is no longer Kapital; it is now Actual Arbeit.

Financial Regime

The term “Financial Regime” is used throughout the SMP Compendium to refer to the political forces in command of a nation-state’s monetary policies. A lot of confusion about how monetary policies are conducted and realized within conventional economics can be cleared by defining the significance of Financial Regime as a term. The term itself was introduced by this Author to refer to all financial and economic activities fall within the concerns of the Council State, such as the conversion rates of Arbeit into Geld as part of the “Life-Energization Reciprocity (LER) Process,” the Mechanization Rate, and other relevant topics.

The key power structures that are definitive of the term are the Head of State, the Legislature, and the Central Bank. The Central Bank is tasked with maintaining the Value of the Currency, including the rate at which it is allowed to depreciate or appreciate at any given point. The Legislature and the Head of State are the political forces that must decide and approve upon any changes to specific aspects of the Socialist Nation’s Sociable Currency. It can range from something as simple as introducing a redesigned banknote or minted coin into circulation to more important ones like altering the Exchange Rate. Ideally, the Head of State, Legislature and Central Bank should be coordinating their actions alongside the economy so as to achieve proper Synchronicity between the State and the rest of the nation-state.

There are inherent differences between how the Financial Regime conducts itself. It always depends on whether it is Liberal Capitalist or Socialist in terms of its political outlook:

- If the nation-state is Liberal Capitalist, there is minimal or no Synchronicity between the State and the economy, which in turn extends to the Central Bank as part of the Financial Regime. Instead of than the State, the Financial Markets and the Fractional-Reserve Banking System will set the parameters. An example of this has been the proliferation of Floating Exchange Rates, where the Forex (Foreign Exchange) Markets are able to decide the Exchange Rates between Currencies. It is doubtful that the Legislature will be determined to cast aside petty parliamentary squabbles because in addition to carrying out their party’s agendas, they must be in the position to win the next electoral cycle. In a time when the Heads of State in many nation-states are elected as part of political parties rather than as hereditary or apolitical rulers, the Head of State is not an exception. Thus, it becomes natural for the Financial Markets and Fractional-Reserve Banking to be coordinating with the Central Bank on monetary policies.
- Conversely, if the nation-state is Socialist, there will be Synchronicity between the State and economy. This is assuming that the Head of State and the Legislature are determined to collaborate and work together in Solidarity to further the national interest. The Central Bank, as part of the Financial Regime will not be relying on Financial Markets and commercial banks to coordinate monetary policies. It will instead rely on the Head of State signing and authorizing any new money policies with the explicit approval of the Legislature, with the Central Bank executing those policies. This arrangement is made possible thanks to the nation-state operating along the parameters of a Council Democracy, which has its own distinct style of governance.

State, Totality, and Self

Throughout the SMP Compendium, there are six recurring terms that are intended to denote the specific sociological categories that exist within any nation adopting the Work-Standard. The Individual or the “Self,” the Class or the “Estate,” followed by the “People,” the “State,” the “Church,” and the “Totality” (which is all of the above). The terms “Individual” and “Class” are interchangeable with “Self” and “Estate” respectively to point out how there is a continuity inherent among the Classes (i.e. the ‘working class’, ‘middle class’ and ‘upper class’) that are reminiscent of the old Estates System within Western countries prior to the Enlightenment. Therefore, whenever one encounters words like “Self” or “Estate” being employed in various SMP Compendium entries, always remember that they are a shorthand for the Individual and Class respectively. The other terms are self-explanatory until somebody pursues a Deconstruction of what the Totality is really supposed to describe with regard to the Socialist Nation.

Below are the descriptions for all six sociological categories under the Work-Standard:

1. The Totality is an umbrella term to denote all Churches, States, Peoples, Classes and Individuals within the Socialist nation in the SMP Compendium. It is a whole that is far greater than the sum of its parts. The definition is designed to be so broad that it will specifically refer to everyone living and working in the Socialist Nation. Everyone in the Socialist Nation, no matter who or what they are, where they are located, and why they exist within certain social structures, is a member of the Totality. When somebody needs to refer to the specific adherents of a religion, a government, an ethnicity, a social rank, or a person, Totality can no longer be applicable. The only exception accepted by the SMP Compendium is for certain Entries related to the Totality’s socio-political-economic relations with the Individual and the Council State by extension among various legal, political, technological, financial, historical and philosophical contexts.
2. The Church refers to the adherents of a religion, including its denominations and sects. The SMP Compendium reserves this term for contexts where it is referring to the ecclesiastical authorities and clergy who act as the leaders of their religion. Avoid this term if somebody needs to go into specifics and describe the clerics of a particular religion and their congregations or when we need to distinguish between different denominations and sects within the same religion. Not everyone in the Nation is going to be practicing the same faith or adhering to the same interpretation.
3. The State refers to the central government and the various regional and local governments subordinate to it. The SMP Compendium reserves the term itself when it is referring to the central government and the authorities who govern it. Avoid this term if somebody needs to go into specifics and describe the government of a given region or the various metropolitan and municipal governments that operate under its jurisdiction. Not everyone lives within the same geographical location.
4. The People, like the two preceding terms, is also a broad term. While it generally refers to the ethnicity which defines the majority of the general population, it can also refer to foreigners, ethnic minorities, and others who also reside as part of the Socialist Nation for the benefit of the Socialist Nation. Avoid this term if somebody needs to differentiate between specific People’s Communities. Not everyone who is a national is going to always live in their Nation, just as how not everyone living in the Nation are one of its citizens.

5. The Class or the Estate denotes a specific **Social Rank** within the hierarchical command structure of the Nation. Everything is organized based entirely on Rank and Achievement, rather than these outlandish notions of Blood and Wealth. Anyone can be nobility or a billionaire in the Socialist Nation under the Work-Standard, but they have no authority over their superior, who might be a member of the working class. That is not to say the reverse cannot happen; in either case, both possibilities need to be taken into account according to the achievements and actions of those who are being evaluated by the Totality.
6. And lastly, the Individual or the Self can refer to anyone who lives as a citizen of the Nation or a foreigner allowed to work, study, and live in the Nation. The SMP Compendium employs this term in a broad sense to describe what is to be expected of anyone residing in the nation. When somebody needs to go into specifics, they refer to that person by name, distinguishing them from the rest of the Totality.

These terms are essential for understanding how the concepts of Arbeit and Geld impact the national economy of the Socialist Nation under the Work-Standard. Be familiar with the details behind each term as they are deployed across various SMP Compendium Entries pertaining to the Work-Standard's equations and accounting practices. More importantly, any future treatises building on the specifications of the Work-Standard will also expand and elaborate further on how all facets of everyday life in the Socialist Nation interacts with each other.

Synchronicity

To begin, there is an old humorous joke about the former Soviet Union and the Eastern Bloc countries. Variations of this joke exist on the World Wide Web (WWW). Even so, the general logic remains constant in any version that one may encounter. The joke reads:

“The government pretends to pay the workers, so the workers pretend to work.”

This example of Cold War-era dark humor contains an important lesson that is best understood in a Socialistic context under the Work-Standard. The Work-Standard stresses the need for “Geld,” the Money of the Socialist Nation, to be pegged to “Arbeit,” the Work of the Socialist nation. The Totality expects to be paid Geld from the State for any contributions of Arbeit. The State itself expects to be given Arbeit from the Totality for any payments of Geld. When the State fails to pay the Totality, the Totality stops contributing Arbeit. When the Totality fails to contribute Arbeit, the State can no longer pay Geld. The Socialist Nation suffers, the Liberal Capitalist propagandists exploiting that breakdown in social trust between the Totality and their State.

Unlike the Liberal Capitalist Incentives of Supply and Demand, the Socialistic Intents of Command and Obedience do not rely on an “Equilibrium” between the Command side and the Obedience side. Rather, Command and Obedience must achieve a “Synchronicity” in what is being said (the Command-side) and what is being done (the Obedience-side). Carl Gustav Jung has given to the Socialist Nations of the world their metaphysical basis behind how Synchronicity functions through Command and Obedience. The hammer and sickle symbolize the Anima of the Worker and the Animus of the Peasant, their Union upheld by the sword of the State. Where Jung did not provide was the economic and financial basis that only the Work-Standard could reveal.

The same is true for the reverse cases. Whenever somebody contributes any Arbeit to the State, the State is expected to pay them Geld. Whenever somebody receives Geld from their State, they are expected to spend that Geld to create more Arbeit for everyone. It is a cyclical process vehemently opposed to the zero-sum, linear one definitive of Liberal Capitalist Kapital and Schuld (Debt/Guilt), where anyone can get away with saying one thing and doing its complete opposite. Whether the transactions are happening offline or online, everyone who commits themselves to a Vocation will contribute Arbeit to the State and will receive Geld from the State. As everyone remains faithful in doing what they love with the hope of looking forward to everything that Life itself has to offer, there will be true prosperity in the Socialist nation under the Work-Standard.

Exactly how the Socialist nation decides to contribute Arbeit and generate Geld is irrelevant here. Such decisions rest on the Totality with the full backing of their State. Everyone will be striving to live within their own means of production. A similar argument can also be made for the type of economic planning employed under the Work-Standard, where economic planners are embedded throughout the Planned/Command Economy and working with everyone involved in the production process. To ensure Synchronicity between Command and Obedience, between what is being said and what is being done, is to participate directly in the affairs of the national economy through constant investments of Arbeit and Geld.

Synchronicity arises from Command and Obedience upholding Sustainability within the production process and the Frequency of transactions consistent with the Quality of goods and services manufactured. The Prices of goods and services, upon achieving Synchronicity, are consistent with the Values decided by the Totality at the State Commissariats of Wages and Prices. The result is the eventual realization of the Intents that define the motivations of those involved in any part of the production process. And when that happens, the Socialist Nation prospers.

There is an historical example where Synchronicity was gained or lost. An important one pertains to agriculture and food production. Whenever one thinks of Socialism in the context of agriculture, their first thought that immediately comes to mind is the assumption that there will be collective farming by the State. They may be even more puzzled to find out that the Work-Standard has no need for collective farming. Most people do not realize is that those collective farms in the former Soviet Union came from the preceding Czarist Russia as opposed to something inherent in Socialism itself. An historical event like the “Great Grain Heist of 1972-1973” can only be understood within the context of the Russian Essence.

What *Soviet-Type Economic Planning (STEP)* did differently was the insistence upon the compulsive need to boost agricultural production, except the Intent of which was not to ensure that everyday people could meet their nutritional needs. Rather, the Intent was to boost the returns of economic growth from the sales of food production, the surpluses of which were exported to neighboring countries like Germany and China. A different conception of Currency, unlike the ones from Liberal Capitalism and Socialism, existed in congruence with Russian agriculture. After the Western world decided to establish their presences in Russia under Peter the Great during the Enlightenment, everyday Russians began gradually thinking in terms of either Kapital and Schuld or Arbeit and Geld vis-à-vis their own Currency, the Ruble. The industrialization of Russia that everyone knows in the 21st century began during the Soviet era.

These historical facts are deliberately omitted in Liberal Capitalist propaganda, in addition to their contextual relationship with the more well-known fact that the cities throughout Europe and North America had become centers of finance for domestic and international economic activities. Everybody in Western cities thinks of their Currency in terms of either Arbeit and Geld or else Kapital and Schuld. This sort of thinking is a strictly Western phenomenon expressed in Western languages, cultures, traditions, social customs and norms that began with the printing press during the Renaissance, where two rivaling conceptions of Currency assumed their proper forms by the late 19th and early 20th centuries. Neither Arbeit and Geld nor Kapital and Schuld can exist on their own in any Russia (be it Czarist, Soviet or post-Soviet) without everyday Russians being introduced to them by people living in the Western world.

Granted, this is not to suggest that the Russian Ruble is incapable of being pegged to the Work-Standard or that the contemporary Russian Mixed Economy is incapable of becoming a Command Economy again, this time without the flaws of the Soviet Command Economy. Like the Japanese Yen and the Japanese Mixed Economy that grew up together after 1945, the Russian Ruble and the Russian Mixed Economy that grew up after 1991 is more than capable of adopting the Work-Standard, abandoning Liberal Capitalism, and returning to Socialism. “Russian Socialism” still retains the best aspects of the Soviet experience, and there is potential for the worst aspects of that legacy to be replaced by the best aspects of the pre-Soviet and post-Soviet experiences. The great question confronting Russian Socialism in the 21st century is whether efforts are made to learn from the mistakes of previous centuries and not just the 20th century.

The lesson is to be learned here is that words and actions do matter insofar as there must be some form of Synchronicity to confer their necessary contextual meanings. The same is also applicable to the interactions of Arbeit and Geld in the context of the Work-Standard as well as for the economic and financial powers wielded by the political power of the Council State.

Work-Intensity, Work-Productivity, and Force Multiplication

The rate at which any given profession or economic sector is capable of generating Arbeit is governed by three specific factors. Those are Work-Intensity (WI), Work-Productivity (WP) and Force Multipliers (FM). As part of the Life-Energization Reciprocity (LER) Process, the Socialist Nation must balance Work-Intensity and Work-Productivity on the economic side. And just as Zeit is used as the tertiary unit of measurement to study the relationship between Arbeit and Geld, the existence of FMs become the means by which to alter the balance between WI and WP.

Work-Intensity governs the complexity and difficulty in carrying out the basic Duties of a given profession or the Obligations of its affiliated economic sector. The greater the WI is within a specific amount of Zeit, the less Arbeit will be contributed to the Life-Energy Reserve. This is due to a high Work-Intensity causing the corresponding Work-Productivity to be lower.

It is because of WI, that WP is what affects whether a certain profession will yield more Arbeit or less Arbeit. The higher the WP is for professions and sectors within a specific amount of Zeit, the more Arbeit they will be able to contribute to the Life-Energy Reserve. Having a high WP implies that the corresponding WI has to be low enough to allow more Arbeit.

Unfortunately, not all professions and economic sectors are able to yield the same amount of Arbeit at the same amount of Zeit under a given work-week. Some may have a low WI and also equally low WP and others could have high WI and high WP that prevent certain sectors from achieving their fullest potential. There will be certain Enterprises capable of sustaining high WP and low WI without the need for any Force Multipliers. And there will also be others struggling with high WI and low WP, requiring Force Multipliers to bring the WI down to more governable levels. This is because not every aspect of economic life is going to be under the same conditions.

Force Multipliers denotes anything capable of altering the balance between WI and WP as well as the ability of any individual profession or sector to contribute more or less Arbeit to the Life-Energy Reserve. An example of FM can be the Central Bank's Mechanization Rate, which affects the dependency on technologies capable of boosting WP. Another could be educational and professional-related prerequisites, the overall experience and talents, motivation, leadership, initiative, resolve, and other virtuous character traits. Others can be social policies, trading policies where the Arbeit of foreigners is involved, labor policies like the mandatory working hours, and the use of *NSFIs* (*National Socialized Financial Instruments*) as a form of economic planning. All of these should not be considered as the only known examples and being aware of any latent potential in altering the balance between WI and WP is decisive on the economic side.

Note that special equations will be used under the Work-Standard to gauge the overall rates at which the national economy determines the Arbeit generated based on the balance between WI and WP. Since they are beyond the focus of this entry in the SMP Compendium, they will be discussed in their own respective Entries.

State Budget, State Revenue, and State Expense

The Work-Standard encourages the Totality of the Socialist nation to assert fiscal discipline and to live within their own means of production. Everyone who serves the Totality in any economic capacity as a vocational civil servant also deserves the Legal Right to political governance through elected delegates to their local council, regional council and eventually the State Council. Unlike Liberal Capitalism's Parliamentary Democracy, the Socialist conception of Democracy is called "Council Democracy" (which can be referred to as 'Council governance'). Councilor governance is more direct in its conduct of Democracy because it stresses the need for political-economic participation in the everyday affairs of the Socialist Nation. This becomes more important because Councilor governance has no periodic elections, corporate lobbyists and billionaire donors, or electoral campaigns insofar as those are all trappings of Parliamentary Democracy. A Council Democracy is led by a ruling People's Party and various smaller parties affiliated with the former's United Front as part of the central government.

There is also another aspect of Council Democracy. A part of it pertains to the fact that the power to decide wages is no longer decided by the "employees" and "employers," that labor strikes and lockouts are banned as commercial weapons employed against the interests of the State and the Totality that ultimately governs the State itself. This power ultimately belongs to the State Commissariats of Wages and Prices, which are government organizations permitted by the State to oversee all necessary alterations of Wages for Paygrades to specific Income Brackets and the Prices of everyday goods and services. If the State Commissariats are going to make any changes to Wages or Prices or both, they need the prior authorization of the State Council and the approval of the Head of State before the end of each fiscal week.

The other part concerns the "State Expenses" and "State Revenues" which affect the "State Budget." In the SMP Compendium, the Socialist Nation generates Revenues and Expenses to the State. The State must ensure that the Nation's Expenses do not surpass its own Revenues.

The idea behind Revenues and Expenses is very simple. If the Revenues are greater than the Expenses, the State Budget increases, meaning the State will have more administrative funds to allocate to any part of the Socialist Nation. Alternatively, if the Expenses are greater than the Revenues, the State Budget will decrease to offset the larger Expenses. This results in the State having less administrative funds to allocate to any part of the Socialist nation. When the State Budget finally reaches a negative numerical value, the Socialist Nation is now running a fiscal budgetary deficit, forcing the State to find a way to balance its own Budget.

Under normal conditions, the State's Financial Regime is considered as the "Arbeiter of Last Resort" under the Work-Standard. If the State Budget is running a fiscal deficit, the *Arbeiter of Last Resort* status is still the State, the Central Bank a part of its Financial Regime. Until the State manages to balance its Budget, the Socialist Nation will begin accumulating Schuld from the Central Bank. To balance the Budget when it is running a deficit, the State could try to cut spending and levy Taxes on the Totality, but why stick to those methods when the Work-Standard already comes with several other available options?

The State could consider issuances of NSFI's (National-Socialized Financial Instruments) or have the Central Bank raise its Mechanization Rate or consider devaluing the Currency. Help the economic planners boost the overall Quality of Arbeit (QW) and reduce the Quality of Geld (QW). The State can decide extending the work-week by up to 56 hours. Also, if the Socialist Nation's Attrition Rate is running higher than normal, consider bringing Attrition down to

sustainable levels; it could be possible that the budgetary deficit is being caused by fluctuations in the rate of Currency Depreciation.

Another possibility to consider is to have the State Commissariats adjust the Prices of various goods and services if the source of the fiscal budget is from Prices. If the source of the budget deficit originates from a trading deficit, try reducing dependency on foreign imports and work towards a Balance of Trades and Payments with other nations. If there are already any other nations with currencies pegged to the Work-Standard, consider allowing citizens to work abroad and allow foreigners to work within the Socialist nation under the framework of a **Real Trade Agreement (RTA)**, allowing the State itself to contribute additional Arbeit that can be converted into Geld by the Central Bank to balance the Budget. Only cut spending or raise Taxes as a last resort and likewise when deciding to reduce everyone's Paygrades.

Always strive to live within one's own means of production. Do not assume that there is only one way of ensuring a balanced budget. There may be other possibilities which have not yet been considered and could perhaps be a topic of discussion in other parts of the SMP Compendium. Always remember that if the State has the power to create the highest Quality of Arbeit by helping the national economy achieve greater returns of economic growth, letting the State do its part is arguably the fastest way to return to a balanced budget through the lowest Quality of Geld. After all, the *Arbeiter of Last Resort* is the State and its Financial Regime.

Real Trade and Free Trade

Is there a difference between what the SMP Compendium touts as “Real Trade” and what Liberal Capitalist ideology calls “Free Trade”? Is it metaphysically possible to distinguish Real Trade from Free Trade and vice versa? Why is it vitally important to realize that the very essence of the Work-Standard will always be independent of Liberal Capitalist conceptions of finance?

There are massive distinctions in Real Trade that are distinguishable from Free Trade. Not only do those distinctions apply to the realm of international trade, they even affect how the Socialist nation conducts its economic and financial activities. Real Trade, like the rest of the Work-Standard, adheres to the fundamental principle of “*ceteris paribus*” in Economics. ‘Ceteris paribus’ is a Latin phrase that can be literally translated into English as “all things breaking even.” Any discernible economic or financial phenomenon that one finds in economic life will always be met by an opposing phenomenon. Liberal Capitalism and Socialism interpret this phrase differently because both have distinct methodologies that set themselves and their adherents apart.

For Liberal Capitalism, everything rests on the Quantity of Kapital and the Quantity of Schuld. Any high Quantity of Kapital must be met by a low Quantity of Schuld. Under the ideology’s Incentives of Supply and Demand, Prices increase if Demand outpaces Supply and decrease if Supply outpaces Demand. The sheer magnitudes of Kapital and Schuld or goods and services in existence affect their Prices’ relationship with an Inflation/Deflation Rate and an Interest Rate. A Liberal Capitalist Financial Regime prospers by achieving the highest Quantity of Kapital with the lowest Quantity of Schuld.

For Socialism, everything depends on the Quality of Arbeit and the Quality of Geld. Any high Quality of Arbeit must be met by a low Quality of Geld. Under the ideology’s Intents of Command and Obedience, Prices rise whenever Command exceeds all actions of Obedience and Prices drop wherever Obedience surpasses all actions of Command. The specific functions of Arbeit and Geld or goods and services correlate to the effects of their Prices’ relationship with an Attrition/Inaction Rate and a Mechanization Rate. A Socialist Financial Regime prospers by achieving the highest Quality of Arbeit with the lowest Quality of Geld.

Where Real Trade differs from Free Trade is this: Real Trade is not a zero-sum game where somebody gains everything and somebody else loses everything. People do not commit themselves to anything in Life without expecting something in return. Every contribution of Arbeit is met by a returning generation of Geld; every generation of Geld is met by a returning contribution of Arbeit. One cannot separate Arbeit from Geld or Geld from Arbeit. Fundamental economic reality dictates that when the Socialist nation prospers, the Totality prospers. The reverse is also true: when the Socialist nation suffers, the Totality suffers. This is because “there is no such thing as Free Trade under the Work-Standard if there is no such thing as a Free Lunch under Socialism.”

In Liberal Capitalism, one can literally separate Kapital from Schuld or Schuld from Kapital. People live paycheck to paycheck, always resorting to an infinite number of ways to avoid becoming indebted by earning and saving the most Kapital for the least amounts of Schuld. This extends to borrowing loans from the bank, investing in financial markets, paying Progressive Income Taxes, and setting aside Kapital for Welfare Capitalist programs. The so-called “social safety net” is designed with the Intent of snaring people away from true Socialism and diverting them from the Work-Standard. Its tradeoffs are out of control government spending and consumer spending, budgetary and trading deficits, demographic decline, and eventual impoverishment of the whole nation through predatory lending and rent-seeking. There is such a thing as Free Trade under the Gold and Debt Standards, even though Liberal Capitalism also claims that ‘there is no

such thing as a Free Lunch'. 'A free trade in free lunches' is supposed to be illogical: Liberal Capitalism encourages people to say one thing and to do the exact opposite, which happens frequently in the ideology's financial markets and Parliamentary Democracies.

While reading the SMP Compendium, pay close attention to the recurring metaphysical patterns of 'Arbeit into Geld, Geld into Arbeit' that are always constant throughout the various entries in their respective Sections. There is something peculiar about the specific manner in which somebody commits their Life-Energy (that is, their physical, mental, and spiritual strength) to a Vocation, creating the Arbeit that is then converted into Geld by the Central Bank. Variations of this pattern exist and each one will be discussed across the Sections of the Compendium.

The Intent behind splitting the Compendium into Sections is to complete a simple equation called the "**Total Productivity Potential (TPP) Equation**," the Work-Standard's equivalent of the Liberal Capitalist GDP (Gross Domestic Product). The Work-Standard cannot and must not rely on Liberal Capitalist methodologies, including the mathematical formula and equations, because they are always relying on Kapital and Schuld (Debt/Guilt) as opposed to Arbeit and Geld.

The basic form of the TPP equation is:

$$TPP = (\text{State Budget} + \text{People's Geld}) + (\text{RTEP} + \text{RTFP}) + (\text{NSFIs} + \text{State Investments})$$

Most Sections in the SMP Compendium were written to explore how each aspect of the Work-Standard affects the TPP Equation as the sum of all economic and financial activities in the Socialist Nation. Everything discussed in the Compendium is intended to elaborate in great detail about where the Arbeit and Geld of the Socialist Nation exist within the context of the TPP Equation. Broken down like this, the TPP equation can be described as three components:

The State Budget and People's Geld are the overall Income of the State and the Totality.

The RTEP (Real Total Economic Potential) and RTFP (Real Total Financial Potential) are the overall Production of the State and the Totality.

And the NSFIs (National-Socialized Financial Instruments) and State Investments are the overall Mobilization of the State and Totality.

The Central Bank, however, interprets the TPP equation as this:

$$TPP = \text{TPP Account} + \text{LER Accounts} + \text{SI-EF Accounts}$$

The "TPP Account" should be self-explanatory for anyone earning any Income as a citizen of the Socialist Nation. How about the Central Bank's "LER Accounts" and "SI-EF Accounts?"

In the SMP Compendium, **Life-Energization Reciprocity (LER) Process** refers to the specific process of somebody committing their Life-Energy to a Vocation, contributing Arbeit and generating Geld. "SI-EF" (State Investment-Economic Foreignization) generally refers to the Arbeit and Geld from NSFIs, Taxes, and Investments from the State and foreign nations. Included with LER is a financial technology subset called the "**Life-Energization Reciprocal Electrification (LERE) Process**" for all digital transactions on the "**National Intranet**" connected to the "**International Internet**." And complimenting SI-EF and the issuances of NSFIs are "Reciprocal-Reserve Banking" and "Real Trade Agreements" (RTAs).

Key to these developments is the conceptualization of a distinct accounting system exclusively tailored to the creations of Arbeit and Geld under the Work-Standard. Designed to record and value the contributions of Arbeit and Geld, it is capable of providing every nation the

ability to conduct International Trade without Kapital and Schuld. It will also enable anyone to gauge the economic and financial health of a given nation, thereby analyzing its history and policymaking through the Work-Standard.

The rest of the Treatise will be exploring these variables and more throughout the later Sections. Some Entries will discuss the metaphysical basis behind the Work-Standard, how it interacts with every aspect of the Socialist Nation. Other Entries focus on several important historical lessons, and the rest describing the countless different ways in which the Work-Standard affects the how certain technologies are implemented, and the operation of a Socialist Planned/Command Economy under a functioning Council Democracy.

Student Economies and Digital Economies

The late 20th century witnessed the conceptualizations of two additional institutional actors beyond that of the National Economy. These two are known as the “Student Economy” and the “Digital Economy.” The establishment of a national educational system gave rise to the belief that young people should be educated and trained to participate in the affairs of political, economic and social life. The purpose of an educational curriculum was to give young people the tools and methods of understanding themselves, their nation and its place in the world, and how to contribute to them. It had to be compulsory to ensure that everyone within the nation knew how to read, write, and do simple mathematics.

By the latter half of the 20th century, the concept of Student Economy became increasingly entertainable as more people underwent secondary and tertiary education. The secondary educational level built upon the knowledge gained from the primary educational level, preparing them for either the workforce or the tertiary educational level. The tertiary educational level provided specialized training and knowledge related to specific Professions that could not otherwise been done with just a secondary education.

It was also at the tertiary educational level, the university, that the Digital Economy began to be conceptualized through attempts to provide digitalized means of communications. The result of those attempts was the realization of a Digital Realm engaging in the transmission of information across computers networks. The Digital Economy later came about when it was discovered that computers could facilitate the transferring of currency between different netizens.

Under the Work-Standard, it will become possible to entertain a Student Economy where young people contribute Arbeit and Geld as part of their educational curriculum. The educational curriculum would be split between classroom instruction and hands-on training, with special emphasis being paid to the secondary and tertiary educational levels. The purpose of the primary educational level is to ensure that children receive the required knowledge that enables to comprehend the knowledge conveyed to them at the secondary educational level, allowing them to immediately enter the workforce or continue to the tertiary educational level.

Conversely, the Digital Economy promises to provide additional sources of Arbeit and Geld through digital technologies. It will serve as the intermediate between the National Economy and Student Economy, supported by the State, and offering a secondary avenue for International Trade. The Work-Standard is capable of integrating both online and offline economic activities into a coherent whole. The significance of the Digital Economy, like the Student Economy, will be explored in greater detail later in this Treatise.

Note that the final Entry of this Section contains a brief, yet important discussion about the World State Organization (WSO) as the proposed template of a Socialist World Order. It is the antithesis to the Liberal Capitalist conception of world order that gave rise to institutions like the UN, the IMF and World Bank, the EU/NATO, the OECD, and so on. The implications of the WSO are scattered throughout the rest of the Treatise.

World State Organization

The first nation that adopts the Work-Standard will be endowed with a number of advantages. In a currency system relying on the interplay between Arbeit and Geld, this nation will achieve newfound economic and financial flourishing that eventually causes its neighbors and the rest of the world to look on in amazement. Assuming that nation does manage to successfully harness its Arbeit and Geld, other nations may be convinced to adopt the Work-Standard and begin issuing Sociable Currencies pegged to the Work-Standard. The first nation will be in the position to gain further economic and financial clout that translates into political and military influence in other countries. As more nations abandon Neoliberalism in favor of various Ideologies and Worldviews, there is going to be a shakeup in the current world order. The Work-Standard will no doubt be the catalyst.

Towards the end of the 20th century, the world order went on to become defined by Unipolarity as the Empire of Liberty sought to spread Neoliberalism in the interests of Jeffersonianism. Without any other great powers to counteract the Empire of Liberty, most nations proceeded to adopt the various trappings of Neoliberalism and its policies. By the early decades of the 21st century, the Empire of Liberty began to undergo immense pressure from various forces that are trying to challenge its Unipolar Moment. The stalling of Globalization, the renewed assertiveness of Russia and China, the rising opposition to Neoliberalism in its various forms around the world are all signs of the Empire of Liberty in decline.

If current trends continue, there will come a moment later in the 21st century when the Empire of Liberty could no longer be sustained by the Jeffersonians back in America. As the international organizations that propped up Neoliberalism after 1945 falter and eventually collapse, it may become tenable to envisage that today's Unipolarity is going to be replaced by tomorrow's Multipolarity. Once that happens, the nation that first adopted the Work-Standard will be able to present the "World State Organization (WSO)" as an alternative to the Empire of Liberty. The WSO replaces the various institutions of the Empire of Liberty by establishing parallel ones that serve the interests of all nations relying on the Work-Standard.

For the purposes of this Treatise, it is important to bear in mind that one of the fundamental purposes of the WSO is to create a world order of nations whose currencies are pegged to the Work-Standard. It is a world order where every aspect of economic life at home and abroad is conducted with Arbeit and Geld as opposed to Kapital and Schuld. The WSO will inaugurate the beginnings of a peculiar form of International Trade, applicable to the Digital Realm and the Real World. The WSO is to be led by five of the world's most powerful nations, accountable to all other nations that are also members of the WSO. The delegation of each member-state is designated by the involvements of its national government and its student government, both of which are responsible for their nation's national economy and Student Economy.

Section Two: Characteristics of Sociable Currency



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The Four Functions and Six Attributes of Currencies

Every Currency, including the Work-Standard's Sociable Currency, must be capable of exhibiting four consistent Functions. Without those key defining characteristics, they are unworthy of being practical in the everyday affairs of any country. These Functions are:

- **Medium of Exchange**: A Currency is capable of facilitating transactions in the transfer of goods and services from one set of hands to another. It should overcome the need for bartering for goods and services that somebody else lacks or does not have on hand, just as it must enable a Financial Régime to fuel all economic activities within the nation-state.
- **Unit of Account**: A Currency measures the Value of any given set of goods and services according to their Price. This enables anyone to compare their Value in relation to the Price whenever the latter depreciates or appreciates over time. It also has to be able to determine the overall health of the economy and the Financial Régime sustaining it.
- **Standard of Deferred Payment**: A Currency should be considered as being an acceptable form of payment in resolving all Debts. Any unit associated with this Currency is considered "Legal Tender" and thus can be used by anyone for paying off their Debts. This implies that the Currency has an inherent Value independent of its own stated Price.
- **Store of Value**: A Currency has to be able to preserve its Value, independent of the aforementioned Price at any given point in time. In order for the Value to remain constant, its Price has to also be constant as well. It does not even have to be Kapital insofar as the Currency in question is capable of maintaining its Value despite deteriorating political, social, and economic conditions.

Those four Functions affect the Currency's Attributes: **Fungibility**, **Durability**, **Divisibility**, **Portability**, **Cognizability**, and even **Scarcity**.

- Fungibility refers to a Currency being capable of maintaining its Value, even if the Currency takes on different shapes, appearances, and forms.
- Durability is the ability of the Currency to be reusable in more than one transaction. Anyone who has been paid in its units following a transaction must be guaranteed the right to reuse it again at a later date.
- Divisibility determines whether the Currency can be divided into smaller denominated units, which means a banknote has to be worth the same Value in coins.
- Portability affects whether the Currency can be safely transported by someone without too many difficulties related to its size, weight, length, width, or transferability.
- Cognizability refers to whether the Currency can be easily recognized by anyone, no matter who they are, as being a Store of Value, a Standard of Deferred Payment, a Unit of Account, and a Medium of Exchange. The Currency can maintain its Value, considered Legal Tender for paying off debts, can measure the Value of goods and services based on their Prices, and can facilitate transactions by anyone who uses it.
- Scarcity describes whether the Currency is able to limit its overall circulation based on a specific attribute. There is only so much gold and silver in exist just as printing too much a debt-backed fiat currency will cause Inflation.

Based on those Functions and Attributes, mainstream economics identified four conceptions of Currency, "Commodity Currency," "Representative Currency," "Fiat Currency," and "Cryptocurrency." All four correspond to the same four variants of Kapital discussed

previously in Section One. As for Sociable Currency, the Work-Standard, it too abides by those four Functions. It has to be capable of operating as a Medium of Exchange, measure the Value of raw materials, goods and services according to their Prices as a Unit of Account, serve as an acceptable Legal Tender, and can sustain itself as a Store of Value. Where Sociable Currency differs is how it exhibits those six aforementioned Attributes.

Generally, Fungibility under the Work-Standard is related to the fact that the Financial Regime issues Sociable Currency as Legal Tender in denominated banknotes and coins. Its Durability, Divisibility and Portability are related to Actual Arbeit backing the Value of this Actual Geld through the economic activities of the Totality. The Totality's actions as a Nation determine the Value of Arbeit, which in turns determine its Price of Geld and the State enforcing that Price under the rule of law. Actual Arbeit is also capable of being divided into specific Professions, Enterprises, Industries and Economic Sectors due to the Work-Standard's need for a specialized model of political-economic governance. Arbeit can also be done across international borders if the State decides to conduct Real Trade Agreements (RTAs) with another State. This in turn enables the inevitability of Currencies pegged to the Work-Standard as being Cognizant and thus Scarce. There is a certain degree of Cognizability and Scarcity, except both are related to Arbeit and Geld and the fact that the Work-Standard itself relies on its own Theories of Value and Money.

Note that *Zeit* (Time) does not determine the Value of any Currencies pegged to the Work-Standard. Rather, it gauges the overall productivity and intensity of all economic activities generating Arbeit within a specific period. There is only so much *Zeit* within a workweek and even less so within a workday. Also, not all economic activities generate the same amounts of Arbeit and Geld. Certain professions, due to their inherent nature, may contribute more Arbeit but less Geld or less Arbeit but more Geld. This is normal and acceptable under the Work-Standard, so long as its Attrition/Inaction Rate, its peculiar metric for measuring the rate of Currency Depreciation/Appreciation, is able to stay within sustainable levels.

All of these considerations are demonstrative of why the Work-Standard is an original endeavor. It can therefore be capable of being distinguished from seemingly similar alternative currencies such as Josiah Warren's Time-Based Currencies, Robert Owen's Labour Vouchers and Labour Notes, Silvio Gesell's *Freigeld*, and even some of the recent derivatives of Cryptocurrencies. The justifications behind why the Work-Standard have rejected them outright instead of borrowing anything from them will be elaborated in future Entries.

Theories of Value (Pt. 1 of 2)

Is the Value of a good or service determined by the value-judgments and attitudes of the beholder? Or is the Value not informed by anyone in particular and can be measured objectively? Assuming if the Value can be judged intrinsically, how is that feasible?

Key to discerning what something should be worth is a “Theory of Value.” A Theory of Value refers to the epistemological basis by which something can be judged based on an inherent Value. From those judgments, a Price can be decided upon. Ultimately, the decision-making process, ontology, and the methodology itself are what separate the interpretation of one Theory of Value from those of another. Although lesser-known Theories of Value exist, with the Work-Standard relying on its Theory of Value, the most well-known examples within economics have been the Subjective, Utility, and Labor Theories of Value.

The best way to understand the Subjective Theory (STV), the Utility Theory (UTV) and the Labor Theory (LTV) is the “Water-Diamond Paradox.” This is the well-known Paradox that was originally popularized by Adam Smith in *The Wealth of Nations* during the Enlightenment. Consider the following passage from Book 1, Chapter 4 (“Of the Origin and Use of Money”):

[12] *What are the rules which men naturally observe in exchanging them either for money or for one another, I shall now proceed to examine. These rules determine what may be called the relative or exchangeable value of goods.*

[13] *The word value, it is to be observed, has two different meanings, and sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys. The one may be called “value in use”; the other, “value in exchange.” The things which have the greatest value in use have frequently little or no value in exchange; and, on the contrary, those which have the greatest value in exchange have frequently little or no value in use. Nothing is more useful than water: but it will purchase scarce anything; scarce anything can be had in exchange for it. A diamond, on the contrary, has scarce any value in use; but a very great quantity of other goods may frequently be had in exchange for it.*

[14] *In order to investigate the principles which regulate the exchangeable value of commodities, I shall endeavour to show:*

[15] *First, what is the real measure of this exchangeable value; or, wherein consists the real price of all commodities.*

[16] *Secondly, what are the different parts of which this real price is composed or made up.*

[17] *And, lastly, what are the different circumstances which sometimes raise some or all of these different parts of price above, and sometimes sink them below their natural or ordinary rate; or, what are the causes which sometimes hinder the market price, that is, the actual price of commodities, from coinciding exactly with what may be called their natural price.*

[18] *I shall endeavour to explain, as fully and distinctly as I can, those three subjects in the three following chapters, for which I must very earnestly entreat both the patience and attention of the reader: his patience in order to examine a detail which may perhaps in some places appear unnecessarily tedious; and his attention in order to understand what may, perhaps, after the fullest explication which I am capable of giving of it, appear still in some degree obscure. I am always willing to run some hazard of being tedious in order to be sure that I am perspicuous; and after taking the utmost pains that I can to be*

perspicuous, some obscurity may still appear to remain upon a subject in its own nature extremely abstracted.

What Smith was describing is the argument that the diamonds have a higher Price than water has to do with the usefulness and the labor that went into them. This particular interpretation of Pricing is the same LTV that later influenced Marxist Theory. The reason why I am refusing to refer to “labor” as Arbeit is because Smith believed it was Zeit that made the diamonds more expensive than water. In essence, it was *how long* it would take for the producer to mine the diamonds and refine them into something tangible without the input of the consumer.

When Karl Marx adopted Smith’s LTV as part of conceptualizing Scientific Socialism with Friedrich Engels, he reinterpreted LTV on the basis of “**Socially Necessary Labor Time**.” From the outset, Smith and Marx’s conceptions of LTV are based on a quantitative amount of Zeit required in the production of goods and services. The Marxist interpretation differs by focusing on *how much* somebody created according to *how long* it would take them to produce it on average. Marx referred to this variable as the “**Average Unit Labour-Cost**.”

Consider the following from Marx’s *Wage-Labour and Capital/Value, Price and Profit*:

“Take the example of our spinner. We have seen that, to daily reproduce his labouring power, he must daily reproduce a value of three shillings, which he will do by working six hours daily. But this does not disable him from working ten or twelve or more hours a day. But by paying the daily or weekly value of the spinner’s labouring power the capitalist has acquired the right of using that labouring power during the whole day or week. He will, therefore, make him work say, daily, twelve hours. Over and above the six hours required to replace his wages, or the value of his labouring power, he will, therefore, have to work six other hours, which I shall call hours of surplus labour, which surplus labour will realize itself in a surplus value and a surplus produce. If our spinner, for example, by his daily labour of six hours, added three shillings’ value to the cotton, a value forming an exact equivalent to his wages, he will, in twelve hours, add six shillings’ worth to the cotton, and produce a proportional surplus of yarn. As he has sold his labouring power to the capitalist, the whole value of produce created by him belongs to the capitalist, the owner pro tem. of his labouring power. By advancing three shillings, the capitalist will, therefore, realize a value of six shillings, because, advancing a value in which six hours of labour are crystallized. By repeating this same process daily, the capitalist will daily advance three shillings and daily pocket six shillings, one half of which will go to pay wages anew, and the other half of which will form surplus value, for which the capitalist pays no equivalent. It is this sort of exchange between capital and labour upon which capitalistic production, or the wages system, is founded, and which must constantly result in reproducing the working man as a working man, and the capitalist as a capitalist.”

Outside of Marxist Theory, LTV fell out of disuse among Liberal Capitalist economic circles in the latter half of the 19th century, when Carl Menger of the Austrian School introduced STV as his interpretation of the Water-Diamond Paradox. The crux of STV was that the diamonds got a higher Price because of their Scarcity and for giving the consumer less Marginal Utility than water. Conversely, water received a lower Price due to its Availability in giving the consumer greater Marginal Utility than the diamonds. “Marginal Utility” was derived from the Utilitarian worldview of English Liberals like Jeremy Bentham and judged the Value on whether something

provided the most pleasure for the least pain. Or, put another way (and Oswald Spengler pointed out in *Prussianism and Socialism*), “the greatest happiness for the greatest number.”

STV did not focus on whether the water and diamonds took a certain amount of Zeit or their overall usefulness for the producer. It instead emphasized whether a quantifiable amount of water or diamonds will achieve the most pleasure for the least pain, the “*greatest happiness for the greatest number*.” The one who ultimately decides is the consumer as an Individual rather than the producer as an Individual. It was because of this not well-understood and false dialectic that Spengler had suspected that Marxism still operated in the framework of Liberal Capitalism.

Even so, STV served as the prerequisite for the Liberal Capitalism’s UTV, which was a refinement of what STV set out to achieve. Here, Liberal Capitalist ideology emphasizes not just on the Marginal Utility, but also the personal preferences of the consumer. This in turn enables the consumer as an Individual to claim that something should be worth more than something else or vice versa. It allows the consumer to gain the most pleasure from something while also inflicting the most pain toward the producer in trying to cater to the Incentives of Supply and Demand. Kapital becomes the means by which such a relationship can be made possible.

A similar variation of LTV, STV, and UTV is the Cost-of-Production Theory of Value, as favored by David Ricardo and later supported by Marx and Engels in Volume I of *Das Kapital*. It argues that the Price of a good or service is based on the materials that went into its creation, the labor required to produce it, as well as other costs related to Kapital, land, and taxes. Going back to the Water-Diamond Paradox, the Price is dependent on the Kapital required to obtain the materials and labor (as well as the material and labor themselves), the Zeit that took to produce it, the facility and equipment needed for its production, and the taxation rate (if any).

Another lesser-known, albeit more recent, Theory of Value is the “Power Theory of Value” of Jonathan Nitzan and Shimshon Bichler in *Capital as Power: A Study of Order and Creorder*. Rather than the perception of Kapital as an exponent of material forces as the other Theories of Value defined it, Kapital is power itself. The Value of Kapital is not for its own sake, but as an instrument of the Liberal Capitalist Will-to-Power (to quote Friedrich Nietzsche’s *Der Wille zur Macht*) over the Totality. The Prices that Kapital permits under Liberal Capitalism has little to do with the producers and consumers, production and consumption. It has everything to do with whether Kapital itself is able to seize control of the Heideggerian “Authentic Dasein” of the Individual, the Class, the State, the Church and the Totality. By replacing “Authentic Dasein” with a counterfeit “Inauthentic Dasein,” increasing abstract forms of Kapital is capable of existing as “Fictitious Commodities” (to quote Dr. Karl Polanyi from *The Great Transformation*).

The term Nitzan and Bichler chose to describe this Liberal Capitalist perversion is “Differential Accumulation,” the logic of which is fundamental to the Liberal Capitalist pursuit of “Capitalization.” The diamonds were only able to be Price higher because somebody wielded enough Kapital to be in the position that diamonds are more expensive than water. Thanks to Globalization, it is now easier for privatized commercial firms to exert a monopoly or oligopoly on Prices in whole nation-states. As Nitzan and Bichler wrote:

“What is being accumulated are claims on the future flow of profit. The pace of accumulation therefore depends on two factors: (a) the institutional arrangements affecting profit expectations; and (b) the normal rate of return used to discount them into their present value. The effect of rising industrial capacity on these factors is not only highly complex and possibly non-linear, but its direction can be positive as well as negative. But then if capital is not ‘tangible’, how should its accumulation be measured?”

Surely, the mere augmentation of money values tells us little about power, particularly in the presence of inflation or deflation. The answer is rooted in the relative nature of power. The power of the absentee owner is the power to control part of the social process, and that becomes meaningful primarily against the power of other owners."

Does the Work-Standard rely on the Power Theory of Value or the Labor Theory of Value, seeing how both contain similar themes? No, the Work-Standard relies on its own Theory of Value that functions differently from PTV and LTV. The justification has to do with Kapital distorting the Authentic Dasein of Currency and how it affects all economic and financial activities. Just consider what Spengler had written in *Prussianism and Socialism*:

"Capital" is the grand expression that describes the English view of property. "Capital" means economic energy; it is the armor one puts on before joining the battle for success. Instead of the French cavalier and pensioner, what we see here is the magnate of the stock market, of petroleum or steel, whose pleasure consists in the feeling of economic omnipotence. He understands property to mean exclusively private property. As he sees it, one man's snuffle can cause the market to plunge all over the world; a telegram of three words can unleash catastrophes on the far side of the planet; and the trade and industry of entire nations are a function of his personal credit. "Private" property—it is important to grasp the term in its full dramatic sense. The billionaire demands absolute freedom to arrange world affairs by his private decisions, with no other ethical standard in mind than success. He beats down his opponents with credit and speculation as his weapons. His state and his army are his trust, and the political state is little more than his agent whom he commissions with wars such as those in Spain or South Africa, or with treaties and peace negotiations. The final goal of these genuine mastertypes is to turn the whole world into one huge trust. As far as he is concerned the average citizen's nominal right to property can remain inviolate; he can enjoy complete freedom to give away, sell, or bequeath his possessions as he sees fit. But the economic value of his possessions as commercial capital is made to move in certain directions by a remote central agency that is utterly beyond his control. Thus the money magnate is a property owner in a very special sense. Whole peoples and nations can be forced to work according to his tacit command and his omnipresent will.

Therefore, it is more realistic to argue for practical applications of the Work-Standard to be operating its own distinct Theory of Value. Even though somebody could claim that the Work-Standard functions on the Labor Theory of Value, such conclusions are at best a superficial oversimplification that does not accurately describe its true Theory of Value.

Theories of Value (Pt. 2 of 2)

It was established that the Theory of Value employed by the Work-Standard operates on its own paradigm. Practical applications of the Work-Standard do not rely on either the Labor Theory of Value (LTV), the Subjective and Utility Theories of Value (STV and UTV respectively), or the less-known ones like the Cost-of-Production and Power Theories of Value (CPTV and PTV respectively). Although it is possible that its Theory of Value bears superficial resemblances to LTV on paper, the differences are more obvious in its theoretical and practical applications.

The best way to identify it is to revisit the significance of the Water-Diamond Paradox. The Water-Diamond Paradox raised the question of why diamonds would be given a higher Price than water. All of the other Theories of Value suggested that diamonds received their intended Price because of the materials, the labor and Zeit needed to produce them; the preferences of the consumer in receiving the most pleasure for the least pain at first opportunity; taxation rates and manufacturing costs; its Scarcity compared to the Availability of water; and the Will-to-Power of Kapital in enforcing the Price. Each Theory of Value is an interpretation intended to rationalize why the diamonds have a higher Price. Insofar as the Work-Standard is concerned, is there a justification behind diamonds being expensive?

Under the Work-Standard, the high Price of diamonds is affected by the physical, mental and spiritual commitment of Life-Energy toward a Vocation for the creation of Arbeit and its later subsequent registration into the Central Bank's Life-Energy Reserve as part of the Life-Energization Reciprocity (LER) Process. Here, it becomes possible to argue that the diamonds got its Price due to the Intents of Command and Obedience, implying that specific social relations in the means of production had created the conditions for diamonds to be priced at a certain amount.

- **Command**: A Vocation responsible for harvesting the diamonds was able to achieve "Economic Socialization" because harvesting them had set the precedent for additional Arbeit to accrue from other Vocations that needed it. That can range from industrial applications like infrared optics and cutting tools to more mundane ones like semiconductors and jewelry.
- **Obedience**: There is a possibility that the diamonds themselves increased the likelihood of "Meaningful Work" a Force Multiplier (FM) in itself for the Vocations handling them. As an FM, it can tilt in favor of either Work-Intensity (WI) or Work-Productivity (WP). For WI, the diamonds are priced higher to deter hoarding and prevent shortages; for WP, the diamonds are priced higher for their strategic importance and had been allowed to accrue Attrition.
- **Intent**: A **State Commissariat of Wages and Prices**, following the Intents of the Vocations involved with the diamonds, had agreed that the Price should be higher. The State will now enforce this Price until a change in conditions permits the Price to increase or decrease.

In essence, what influences the Value of the diamonds was the Intents of Command and Obedience in relation to the overall balance between WI and WP. What influences the Price of the diamonds themselves is WP and whether enough FMs exist to tilt the balance in its favor. The State Commissariats must socialize with the Vocations involved, reach an agreement on the Prices within the framework of a **Council Democracy**, and help the State enforce the Price until changing circumstances warrant the need to alter the Price again.

That leaves the justification for why water is less expensive than diamonds. The related Vocations and State Commissariats have a **Constitutional Intent** informing them that water should

be available for all based on a corresponding “Constitutional Obligation in the Service of All for All.” The Constitutional Intent is not necessarily going to be an “Explicit Intent” under the Constitution, where one could find everything written verbatim. It is more likely, however, that the Constitutional Intent itself is an “Implicit Intent” because the Reference and Relevance of that Constitutional Obligation is not going to be exclusive to the “Legal Duties” of specific Vocations tasked with the collection, purification, and distribution of water as well as the “Legal Right” to ensure that water will have a lower Price lower than diamonds.

What then would be the appropriate designation for the Work-Standard’s distinct Theory of Value? The term “Reciprocal Theory of Value (RTV)” is suitable enough to describe the decision-making processes at play here. It all refers back to the LER Process, including the Life-Energy created from the commitment of physical, mental and spiritual energy to all Vocations by everyone was what facilitated the creation of Arbeit. The common theme shared by all but one of the aforementioned Theories of Value is the flawed conclusion that the economic life of whole countries occurs independently from their concurring political life, as if isolated from the everyday social relations of the Totality and the State. The obvious exception is Marxist Theory’s LTV, which did not fully distinguish itself from the original conception of LTV devised by Adam Smith, hence the Cost-of-Production Theory of Value from Volume I of *Das Kapital*.

The implications of RTV alone indicate the idea that the Arbeit backing the Value of Sociable Currency under the Work-Standard is a “Quality of Arbeit (QW)” as opposed to a ‘Quantity of Arbeit’, which would have been the logical conclusion from the other Theories of Value. Moreover, RTV even suggests the presence of a corresponding “Theory of Money.”

Theories of Money (Pt. 1 of 2)

Competing Theories of Money have proliferated in the Western world when the concept of Currency became increasingly important since the Renaissance. If the Theories of Value concerned how something supports the Value of any given Currency, then the Theories of Money have undergone a similar debacle regarding the Prices for that Currency. On what basis does one measure the Price according to what gives the Currency its Value as Legal Tender?

The most common example, especially after the Death of Bretton Woods, has been the idea of judging the Price of a Currency against the Price of another Currency or a “Basket of different Currencies.” This is the Purchasing Power Parity (PPP) method, derived from the notion that most of the Currencies in the world are Fiat Currencies relying on Floating Exchange Rates.

Bimetallism once determined the Value of a given amount of Gold or Silver based on their Weight and Fineness. The heavier and finer a unit of Gold or Silver, the more valuable they can be. It was from there that when somebody decided to exchange Gold or Silver for Kapital, the Weight and Fineness influenced how much Kapital could be gained from the transaction.

Chartalism, not to mention the Post-Bretton Woods Debt-Standard itself, there have been three common methods and each of them have influenced the methodologies of both Monetarism and Modern Monetary Theory (MMT) as byproducts of Post-Bretton Woods conditions. Those three methods are the “Quantity Velocity,” “Cash Balances,” and “Income-Expenditures.”

- The Quantitative Velocity method was advocated by Milton Friedman as part of promoting Monetarism. It argues that changes in the Value of a Currency is influenced by the changes in its Price. Any changes are affected by the sheer quantitative magnitude of Kapital in existence. To increase the Price meant “depreciation by expansions of the Money Supply”; to decrease the Price meant “appreciation by contractions of the Money Supply.”
- The Cash Balances method is similar to the Quantitative Velocity method, except it differs by focusing more on the national income. It claims that the Price of a Currency is affected by the Incentives of Supply and Demand. The Incentives here are related to the quantitative magnitude of the goods and services on demand and also the timing in which those transactions occurred. These Incentives also impact whether there is a supply of idle Kapital in existence or the inexistence of Kapital itself in the country that is contributing to the national income of the economy.
- And the Income-Expenditures method was advocated by John Maynard Keynes as the Keynesian explanation on how the Price of Currency is determined. Although it believes that the Value is affected by the quantitative magnitude of the Money Supply, it also argues that the Value itself cannot be readily defined by a correlating relationship with its Price as the Quantitative Velocity method implies. Any changes in the Price level are influenced by concurring changes in Income and Expenditures from the Supply and Demand for goods and services.

Given Monetarism’s relationship with the Quantitative Velocity of Money, it becomes almost natural to ponder over where MMT stands regarding those Theories of Money. This is important since the Work-Standard does not advocate for any of these Theories of Money, preferring instead to rely on its own understandings more applicable to the conditions of Socialism as opposed to Liberal Capitalism. The Author consulted a three-part series of arguments against MMT that were posited by Nick Johnson, a British developmental economist who runs a website

called “The Political Economy of Development.” The statements below are a summarization of Johnson’s arguments in order to buttress the Work-Standard’s own arguments against MMT:

“According to Professor Michael Hudson in his ‘J is for Junk Economics’, ‘money’s main function is to denominate debts’ and its ‘defining characteristic’ is the willingness by governments to accept it as payment for taxes or fees. Money can be created by the government by running budget deficits which are spent into the economy, or it can be created by private banks which have been ‘granted...the money-creating privilege.’ Furthermore, Hudson argues that ‘money is a legal creation, not a commodity like gold or silver’ which is given ‘value by accepting it in payment of taxes and fees’.

This idea is in contrast to Marx who argued that commodity money emerged prior to credit money via its use in the process of exchange and that the state monopoly over money creation came much later historically.

Anwar Shaikh, in his book ‘Capitalism’, sides with Marx and against the version of monetary history propounded by MMT, which he refers to as ‘Neo-Chartalism’. Chartalism is another name for the State Theory of Money of Innes and Knapp. According to Shaikh, today’s Chartalists dubiously project their version of the state’s relationship to money back for thousands of years in order to reinforce their claims about MMT:

“[T]hey conflate payment obligations with debt, so that blood-price, bride-price and even taxes become debt. Then debt is central from the start, and when the state takes over coinage, state money is treated as a form of debt.”

It is noteworthy that Johnson mentioned the “State Theory of Money” of Georg Friedrich Knapp from the Prussian Historicist School of Economics as being related to the “Credit Theory of Money” of Alfred Mitchell-Innes. Currencies issued by the State are unfortunately issued by *government fiat*, meaning the only thing backing its Value is *Schuld* (Debt/Guilt) and the State’s ability to maintain the Value of its Currency. There is a reason why a Fiat Currency is consistently described as being “backed by Full Faith and Credit.” The US Dollar itself is the only Currency that makes this fact obvious to the beholder of its banknotes: “**This note is legal tender for all debts, public and private!**”

What most analyses of MMT do not consider is how well MMT is worthy of preparing the nation-state for life-or-death Total War (like in World Wars I and II) or the overall conditions of “Total Mobilization” (toward a Four-Year or Five-Year Plan, combating Climate Change and Pandemics, achieving rapid technological breakthroughs, and strategic maneuvers that would crush lesser Currencies with Hyperinflation). The implications of the State and Credit Theories of Money on the financing of wars are reflective of how the European colonial empires gradually abandoned Bimetallism, then the Gold Standard before briefly adopting the Debt-Standard in the two World Wars. *Schuld*, like Gold and Silver, proved more of a hindrance than a benefit to waging Total War, let alone sustaining Total Mobilization for the realization of commonly-shared goals:

“For MMT, when the economy is at less than full employment, and there is therefore economic ‘slack’ or spare capacity, the government should use fiscal policy to increase demand, as long as this does not create undesirable levels of inflation. MMTers tend to argue that fiscal policy should play more of a role in stabilising the economy and achieving

full employment than it currently does (although the recent response to the pandemic in the presence of very low interest rates has called forth dramatic fiscal action).

Mainstream economics has in recent decades argued that monetary policy administered by independent central banks should be the main policy tool for stabilising the economy, with fiscal policy playing more of a role when the economy is at the zero lower bound (ZLB) in terms of interest rates, and demand remains insufficient or there is still significant unemployment.

MMTers say that fiscal policy should be used more of the time as a tool for stabilising the economy, and achieving and sustaining full employment. A lesson from recent decades in the case of the US is that relying on monetary policy and worrying (some of the time at least) about the government deficit has led to unsustainable rises in private debt. When the private sector begins to attempt to reduce its debt levels, or deleverage, rather than spend on consumption or investment, this reduces aggregate demand and acts as a drag on the economy, slowing growth and raising unemployment.

[...]

MMTers argue that fiscal policy should be used to stabilise the economy at all times and that it is more effective than monetary policy alone. Since the private sector as a whole tends to run a surplus of income over expenditure (and savings over investment) for much of the time, the public sector needs to run a deficit so that net private savings are spent rather than merely leaking from the economy and reducing output and employment. Historically under capitalism, government surpluses have been rare, and have often been associated with private sector deficits and debt accumulation followed by financial crises. So too much of a focus in government policy on austerity and 'paying down debt' can be extremely damaging.

This MMT fiscalism is reminiscent of the Keynesian consensus which dominated post-war policymaking in many advanced countries until it was abandoned following the stagflation of the 1970s. It also draws on aspects of post-Keynesian thinking. Post-Keynesians are the more radical leftist followers and developers of the ideas of Keynes himself, and MMT is in some ways a relatively recent offshoot of post-Keynesianism.

The emphasis in MMT is on sufficient government spending to achieve and sustain full employment, and generally keeping interest rates low. In the absence of low policy-induced short term and long term interest rates, it is quite possible that larger budget deficits can crowd out private spending, such as borrowing for investment. This is only really a concern if the economic value created by increased public borrowing and spending is less than the value that would have been created by the private borrowing and spending that it replaces. Some right wing economists might argue that this is always the case, and that government spending is always less productive than private spending. But this is ideological nonsense. A huge backlog of spending which improves decaying infrastructure funded either by 'crowding out' private spending due to rising interest rates, or by raising taxes which reduces private spending directly, certainly has the potential to raise productivity and economic performance over a number of years. It could very well 'crowd in' productive private sector activity by reducing the costs of doing business and raising investment opportunities."

The implications of MMT being tied to wars is related to how it does not rely on the usual methods of “borrowing, taxing, and issuing government bonds.” Rather, it relies on the literal creation of Kapital on an industrial scale. Here, the possibility of Kapital becoming abstract and divorced from economic reality is described by Johnson in Parts 2 and 3:

“In MMT, the government need not fund increased spending through taxing or borrowing and issuing bonds. It can in theory fund it through direct money creation. After all, MMTers argue, private banks create money in the form of credit. Some of this funds productive investment, but in recent decades plenty has funded financial asset inflation, which has destabilised the economy and increased the inequality of income and wealth. Why should not governments create money to spend on public goods such as improved infrastructure, health, education and training?”

Again, for MMT, the constraint on such schemes is the potential for rising demand-side inflation. Once more, it is important to debate the theory and history of inflation to assess the limits on public money creation. Since the 2008 financial crisis and recession, the practice of quantitative easing by central banks has kept interest rates low, reducing public and private debt burdens. But it has largely boosted the prices of financial assets rather than the real economy, benefiting Wall Street rather more than Main Street. Richard Koo, in his books on BSRs, has shown that broad measures of money creation in the US and elsewhere since QE was initiated have grown slowly, since households and firms have been paying down debt rather than borrowing to spend. History seems to show that in this kind of situation, government fiscal expansion is much more effective in generating and sustaining spending when the private sector is not doing its usual job. This does not necessarily support MMT theories as a whole, as Koo’s theory of BSRs is specific to a particular economic context.

[...]

MMTers argue that the state can achieve and sustain full employment through judicious policy interventions. But history seems to show that while this may be possible even for lengthy periods, it is difficult to make it permanent. Michal Kalecki, who independently developed his own theory of aggregate demand at the same time as Keynes, argued that one should distinguish between achieving and sustaining full employment. Achieving it through active fiscal policy to expand demand may well be possible, but it would tend to shift the balance of power in the labour market away from employers and towards workers by removing the effectiveness of the sack in disciplining the workforce. Captains of industry and other elites would generally dislike this state of affairs and turn against full employment as a goal of policy, even if it created an economic boom with high business profits. Kalecki made this argument in the 1940s, and it proved extraordinarily prescient in pointing to the abandonment of Keynesianism in the 1970s and 80s.

What MMT seems to neglect is the non-linear dynamics and the political economy of full employment. It attributes a certain passivity to workers and ignores conflict between social groups and classes. Sustained full employment, while it might potentially go a long way to reducing poverty and economic misery under capitalism, may so change society and social relations that powerful interest groups will turn against it. Kalecki argued that if full employment was to be sustained under capitalism, then society would need to evolve towards more consensual arrangements which take account of workers’ increased

bargaining power. The economies of northern Europe are perhaps the best example of this kind of social corporatism, in which powerful trade unions negotiate over wages and working conditions with employers and the government. However even these economies have experienced periods of substantial increases in unemployment.

[...]

MMT argues that inflation is the main constraint on government policies which expand demand in order to achieve full employment and other progressive social and economic goals. It adopts a mix of demand-pull and cost-push explanations of inflation. Firstly, excess demand when the economy is already at full employment will push up prices and wages. Secondly, workers can bid up wages in response to cost increases elsewhere in the economy which are tending to reduce their standard of living, which can lead firms to increase output prices. If workers respond by pushing for higher wages once again, a wage-price spiral can ensue. Since the late 1970s it has become a goal of conservative policy in many countries to reduce this effect via weakening the power of organised labour, rather than via a more consensual approach."

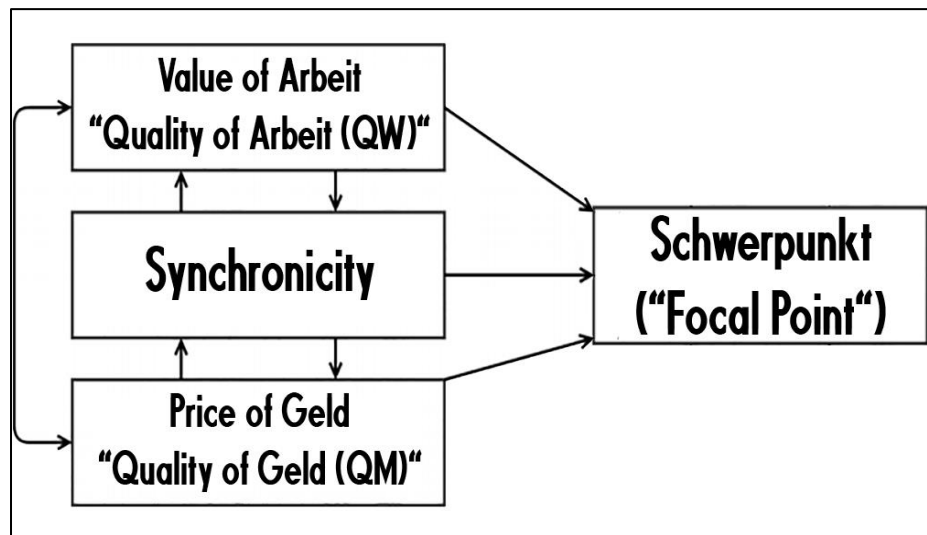
Based on all of the descriptions given by Johnson, it is tenable to argue that the Theory of Money advocated by MMT is related to the Income-Expenditure methodology of Keynesian economics. Like Monetarism, MMT is fixated on *the magnitude of Kapital in existence*, rather than the functions of true *Geld* in its force and mass as in the Work-Standard. MMT has demonstrated how abstract the concept of Kapital has become under Liberal Capitalism, where it is now possible to create Currency divorced from the everyday realities of the Totality and their own State. It is discernible from the overemphasis that MMT places on fiscal policy to the exclusion of monetary policy, as if to assume that the Central Bank itself is nothing more than an isolated entity at the mercy of commercial banks and financial markets. It is also evident in how it treats the economic and financial as being separate from the political, where the State is treated no differently than another Individual who is nothing more than the sum of its own parts as a Cartesian Self instead of a "**Jungian Self**" that exists as part of a Totality.

The Work-Standard rejects all of these methods as they are insufficient for the purposes of the Reciprocal Theory of Value (RTV), requiring its own Theory of Money to promote the Jungian Synchronicity between the economic and financial realms by the Totality and the State. Moreover, the proposed Theory of Money needs to be far more than just ensuring pointless "job guarantees" for the sake of "full employment." It has to be operating in sync with RTV to create the conditions tantamount to establishing a "**Vocational Civil Service** (VCS)" as part of the "**Constitutional Obligation in the Service of All for All**". The result is the creation of an entirely new conception of the Planned/Command Economy designed to implement the Socialist Nation's Sociable Currency.

Theories of Money (Pt. 2 of 2)

What shall be the Work-Standard's Theory of Money to complement RTV? The whole premise of RTV rests squarely on the LER Process, particularly the notion of committing Life-Energy into Vocations to create Actual Arbeit and contribute them to the Life-Energy Reserve of the Central Bank, where it is then converted into Actual Geld. As stated in the previous Entry, the Work-Standard's Theory of Money shall not be based on any known Theory of Money. The other Theories of Money were derived from aspects of Bimetallism and Chartalism. Neither Bimetallism nor Chartalism are suitable for the Work-Standard. Ascertaining a Theory of Money for the Work-Standard is dependent on understanding the properties of Arbeit and how that in turn gave Geld its intended purpose as a Sociable Currency.

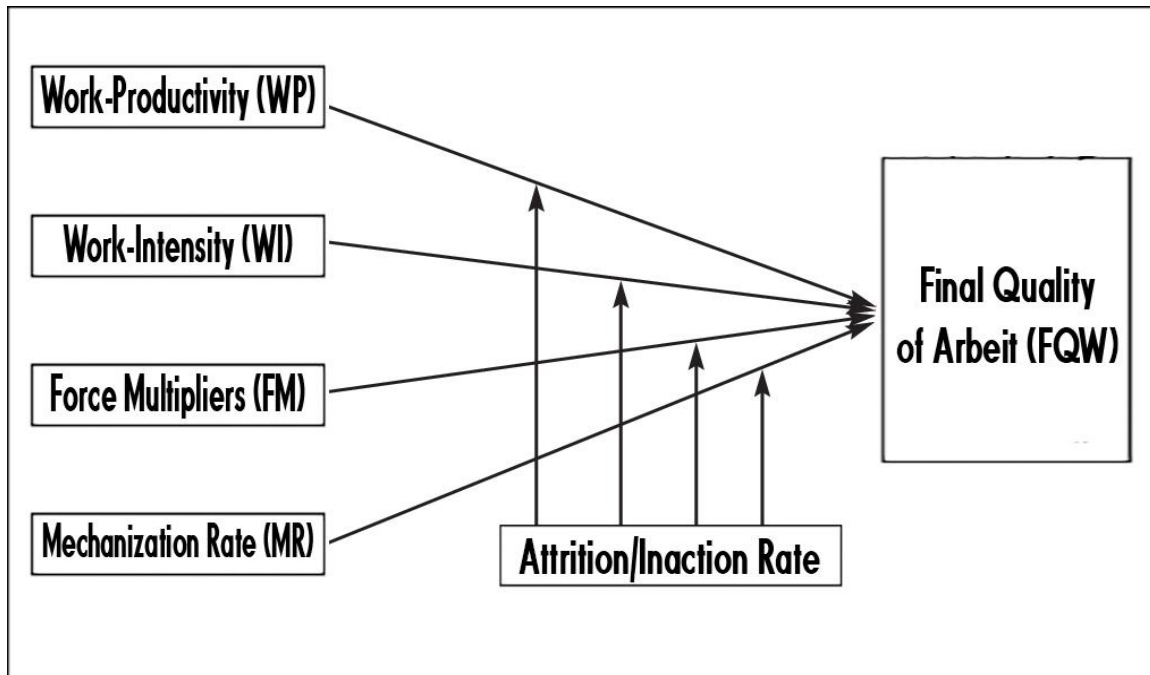
The concept of Geld under the Work-Standard is not affected by the sheer magnitude of its own mere existence. Thus, the Quantity Theory of Money and all other Theories of Money influenced by the quantity of Kapital in existence are not applicable to the Work-Standard. This is not the question of whether there is a lot of Geld or very little Geld in existence because such notions are not its defining characteristic. There may be moments where there could be lots of Geld and very little Geld available, but never because of Geld per se. Geld derives its Price from the effects of its intended functions according to the force and mass of Arbeit. The more Arbeit amassed and the greater its overall impact on the economy, the more Geld will be made available to allow for changes in overall economic conditions. These descriptions fit the definition of a "Quality of Geld (QM)" to correspond with RTV's Quality of Arbeit (QW). Given what was already written about Arbeit and Geld in the preceding Entries of Sections One and Two, the relationship between QW and QM in the LER Process deserves to be defined as "the greatest Quality of Arbeit for the least Quality of Geld."



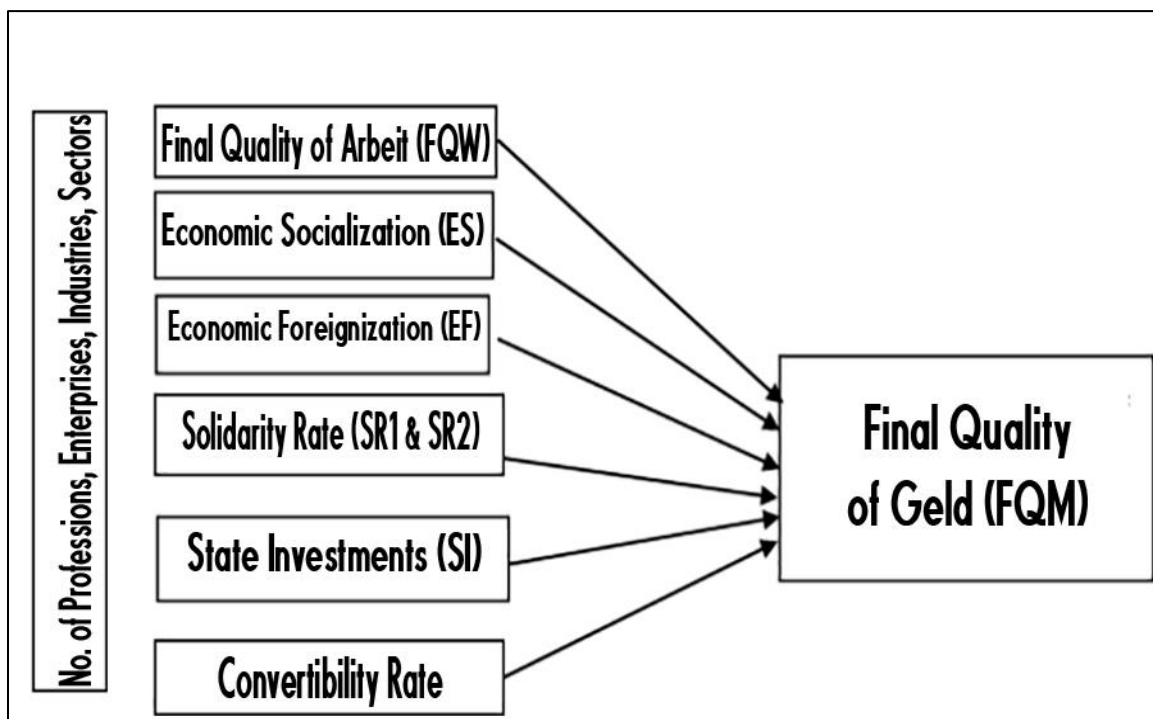
Author's Diagram for LER Sociable Currency

The Synchronization of Arbeit and Geld sets the precedent for QW determining the Value of Actual Arbeit and QM affecting the Price of Actual Geld. The overall performance and well-being of everyone in their Vocations, Professions, Enterprises, Industries and Economic Sectors affect the *Quality of Arbeit* in relation to the *Quality of Geld*. The inflows of Actual Arbeit inside the Life-Energy Reserve are decisive in the discernible "Schwerpunkt (Focal Point)" of a "Work-World" overseeing conversions to Actual Geld. The QW of one Vocation is added to the Socialist

Nation's "*Final Quality of Arbeit* (FQW)," allowing its FQW to be combined with "*Economic Socialization* (ES)" and "*Solidarity Rate* (SR)" to yield a "*Final Quality of Geld* (FQM)."



Author's Diagram for Quality of Arbeit



Author's Diagram for Quality of Geld

Through FQW and FQM, the Socialist Nation's acquires its "*Total Economic Potential* (TEP)" and "*Total Financial Potential* (TFP)" respectively. The Attrition/Inaction Rate

transmutes the Socialist Nation's TEP into "*Real Total Economic Potential* (RTEP)" and TFP into "*Real Total Financial Potential* (RTFP)." Both RTEP and RTFP eventually form the Socialist Nation's "*Total Productive Potential* (TPP)" as the controlling factor in the Central Bank's ability to expand or contract the overall "*Requisitionary Productive Forces* (RPF)."

All of these new variables are integral to arguing why the Work-Standard's Theory of Money happens to be related to the second half of the LER Process. This "*Work Theory of Money* (WTM)" stipulates that the Price of Geld is influenced by the Value of Arbeit insofar as the very notion of a Socialist Finance will always be subordinate to the Sustainability, Quality and Frequency of the entire production process. Any changes in the Prices of goods and services are caused by changes to their Quality and Frequency in relation to Sustainability, which in turn can be traced back to the RTV's relationship to Work-Productivity (WP), Work-Intensity (WI), Force Multipliers (FMs) and Mechanization Rate (MR).

A concept such as WTM is self-evident throughout various aspects of RTV and how it oversees the contributions of Arbeit and its conversions into Geld. It becomes even more apparent when one stops to consider the idea of converting Geld back to Arbeit as part of the LER Process. Such a topic deserves to be investigated in greater detail within wartime and financial contexts, besides their usual interactions within the fiscal and monetary policies of the State. The implications suggest that the LER Process is capable of facilitating a convertibility rate which cannot be set unilaterally by any Profession, Enterprise, Industry, or Economic Sector. Instead, the Council State, specifically the State Commissariats of Wages and Prices, sets the convertibility rates for Arbeit-into-Geld and Geld-into-Arbeit, with RTV and WTM serving as the conceptual frameworks for the LER Process and by extension the rest of the Work-Standard itself. The possibility is there for the Financial Regime to devalue and revalue the Sociable Currency as needed at the behest of the Totality.

Currency Depreciation/Appreciation (Pt. 1 of 2)

All Currencies will gain or lose Value over a period of *Zeit* (Time). Any increase in the Value is called “Appreciation” whereas any decrease in the Value is “Depreciation.” How the Value changes is dependent on the Currency being *Kapital* or *Geld*. For the sake of illustrating the differences between the Liberal Capitalist version and the one employed by the Work-Standard, this Entry will be split into two parts. The Value of *Kapital* is affected by its “Scarcity/Availability” under the “Inflation/Deflation Rate.” Inflation leads to Currency Depreciation by increasing its Price. Deflation yields Currency Appreciation by lowering its Price.

Excessive Inflation Rates from *Availability of Kapital* results in shortages and hoarding, resulting in a concurring *Scarcity in most goods and services at higher Prices*. *Kapital* thrives through cheaper exports and more expensive imports. Excessive Deflation Rates from *Scarcity of Kapital* results in Recessions and Depression, resulting in greater *Availability of goods and services at lower Prices*. *Kapital* thrives through more expensive exports and cheaper imports.

To strike a balance between Inflation and Deflation, Financial Regimes employ a combination of monetary and fiscal policies, but monetary policy has four methods:

- Most Central Banks determine the rate at which the Value of *Kapital* change through “Inflationary Targeting,” with the median set at around 2%. The Financial Regime offsets Deflation by expanding the Money Supply or the amount of *Kapital* that is in circulation. This is done by increasing the “Liquidity” [Read: *Kapital*] held at privatized commercial banks and lowering Interest Rates to encourage more borrowing. Conversely, the Financial Regime offsets Inflation by contracting the Money Supply, which is done by decreasing Liquidity at privatized commercial banks and increasing Interest Rates to encourage less borrowing.
- Every privatized commercial bank maintains a “Reserve Requirement,” which is the amount of *Kapital* they are allowed to borrow from the Financial Regime. Increasing Liquidity allows them to borrow more *Kapital* for their reserves; decreasing Liquidity does the opposite by having the banks borrow less *Kapital*. The banks rely on their own Interest Rates called “Discount Rates.”
- Financial Regimes may conduct “Open Market Operations,” which involves the lending and borrowing of LCFIs (Liberal Capitalist Financial Instruments). Securities such as government bonds are bought by the Central Bank, the *Kapital* created from those Securities are given to the privatized banks for them to lend to potential borrowers. When the Securities are sold by the Central Bank, the *Kapital* is removed from the banks’ balance sheets, leaving them with less *Kapital* in their reserves. Open Market Operations rely on a long-term variant known as “Quantitative Easing” (QE), where long-term bonds are purchased by the Central Bank to lower Interest Rates on borrowing.
- The Great Recession led to a new variation of Interest Rate called the “Interest Rate on Excess Reserves” (IRER) held by privatized banks. The Central Bank pays Interest if there is a higher than normal amount of *Kapital* in the banks’ reserves. It can lower the IRER to let the banks lend more or increase the IRER to have the banks lend less.

Fiscal policy relies on two methods. Both will always be propagated by the political parties of any Parliamentary Democracy prior to an election or else enacted through legislative motions in the event of a looming Recession. The tendency at which a parliamentary body decides depends on the political parties serving as Members of Parliament:

- Policies involving “Spending Cuts/Increases” will involve manipulating the rate of governmental spending. Examples include, but never limited to, subsidies to privatized firms, investments in infrastructure, converting Kapital into “social welfare,” and nationalization/privatization of enterprises.
- Those involving “Taxation Cuts/Increases” are intended for manipulating the tax rates. Corporate, Progressive/Regressive Income, Value-Added, ‘Capital-Gains’ and Dividends (for LCFIs only), and Fuel Taxes are all examples of such policies.

Due to the ideological orientation of Liberal Capitalism and the nature of Parliamentary Democracy, there is no guaranteed Synchronicity between monetary and fiscal policies. MPs have a vested interest in keeping their seats and political parties are trying to enter or stay in power. This results in MPs trying to pursue high government spending and low taxation, preferably before an upcoming election, to increase their electoral changes. The problem with this approach is the ramifications of what happens after the election.

Overall, the methodology for monetary and fiscal policies under Liberal Capitalism operates according to the Incentives of Supply and Demand. Everything revolves around Kapital first and foremost before the Scarcity/Availability of everyday goods and services. Kapital cannot be simply ‘printed’ and allocated to the State and its people. In its simplest form, it has to be distributed from the Central Bank to the banks and to the borrowers.

Note that any Price increases or decreases in individual everyday goods and services may be affected by their Scarcity/Availability alone. To find whether Prices in general are changing due to Currency Depreciation/Appreciation, pay attention to the “Consumer Price Index” (CPI).

Currency Depreciation/Appreciation (Pt. 2 of 2)

As stated earlier, the Liberal Capitalist conception of Currency Depreciation/Appreciation relies on a “Inflation/Deflation Rate.” The Inflation/Deflation Rate is influenced by the Supply and Demand of Kapital in existence relative to the amount of goods and services being circulated. The manner in which this Rate rises or falls is mitigated by the Interest Rate. In the previous Entry, every monetary policy among the Central Banks of Liberal Capitalist Financial Regimes can be summarized as “Lending/Borrowing,” “Interest/Negative Interest,” “Produce/Consume,” and “Buy/Sell.” The fiscal policies pursued by Parliamentary Democracies are “Increase/Decrease Taxation” and “Spend/Save.” All of them rely on the aforementioned dialectics of “Scarcity/Availability” of Kapital. None of these dialectics, including Taxation, are applicable to the Work-Standard. This is due to the Work-Standard relying on a very different set of dialectics that stem from its own distinct understandings of economics and finance.

Geld, Arbeit, and Zeit will always be the three important variables whenever any analysis of the Work-Standard in the Compendium. It is for these considerations that Currency Depreciation/Appreciation under the Work-Standard operates according to its parameters. The Value of Sociable Currency is affected by the Price of Geld rises and falls according to the Value of Arbeit created by the national economy at any given period in Zeit. It is within the Synchronicity between Arbeit and Geld that Sociable Currency’s version of Currency Depreciation/Appreciation is related to an “Attrition/Inaction Rate.” Here, Depreciation occurs from an increasing Attrition Rate, whereas Appreciation occurs from an increasing Inaction Rate. What influences the Sociable Currency’s balance between its Attrition Rate and its Inaction Rate, allowing the Work-Standard to avoid the Inflation/Deflation Rate as well as an Interest Rate, is Arbeit itself.

The Attrition Rate naturally accumulates from the constant creation of Actual Arbeit and its subsequent contributions to the Life-Energy Reserve. When the amount of Arbeit increases at a heightened rate within a shorter than usual timeframe, Attrition rises to reflect the growing Unsustainability of the production process with regard to its overall Quality and Frequency. Conversely, the Price of Geld has to increase to reflect the ongoing Depreciation in the Value of Arbeit. The same can also be said for the inverse: declining amounts of Arbeit being created in that same timeframe will cause the Attrition Rate to fall and instead cause the Inaction Rate to rise. As Inaction rises, the Price of Geld will decrease to reflect this Appreciation in the Value of Arbeit.

The Financial Regime can avoid excessive Attrition and Inaction by relying on a “Mechanization Rate.” The Mechanization Rate gauges the extent to which the Socialist Nation is relying on automated technologies within its national economy. It influences the Value of Arbeit through the Synchronicity between the workers and their technologies. The Mechanization Rate helps the Work-Standard achieve the metaphysical embodiment of Ernst Jünger’s Figure of the Arbeiter from “Total Mobilization” and *Der Arbeiter*. In essence, the Totality must be in the position to control the extent to which their own Technology affects their everyday lives, rather than simply letting a technocratic bureaucracy do everything for them.

If one has not already realized the implications of what is being implied here, Automation has the potential to complement the Work-Standard in ways that even Karl Marx could never have fully comprehended in his “*Fragment on Machines*” from *Grundrisse*. In both works, the Mechanization Rate finds its justifications for an outright replacement of the Interest Rate: shall humanity be enslaved to the whims of the Enlightenment’s “Triumphal March of Technology” or shall humanity be freed to control Technology and eventually achieve Socialism?

The implications of the Mechanization Rate can be discerned from its benefits. Strategic deployments of automated technologies could relieve segments of the workforces from overburdening themselves with Meaningless Work, minimizing the effects of Currency Depreciation by allowing the Attrition Rate to fall within governable levels. Instead of being a potential cause of unemployment and the uprooting of whole communities, Automation presents the possibility for the Work-Standard's Mechanization Rate to become an actual benefit under Socialism. The rates set by a Central Bank could correspond to how much of the national economy should be allowed by law to operate on an 'autopilot mode' without the Totality's direct input. Everything from a shorter workweek to the development of an entirely different form of Planned/Command Economy is feasible.

It is because of these possibilities that the Mechanization Rate should always be used sparingly. Increasing the Mechanization Rate means further automating the national economy by the State. While Usury ends under the Work-Standard as a phenomenon restricted to monetary policy, it can potentially return in the form of destroying the livelihoods of people whose Arbeit is generated from their professions. Not everything needs to be automated.

While a discussion into understanding why the Work-Standard rejects the notion of Taxation remains forthcoming, an important topic must be addressed with regard to pricing. The pricing of everyday goods and services will be decided by the State in accordance to the directions and guidance of the people. The people should help the State determine the Prices just as they must also help the State determine the wages in Geld that are needed to purchase those same goods and services. Special financial institutions, also another future topic requiring its own future entry, must be established by the State to oversee the official changes to any Price.

The State must enforce the Prices according to the overall conditions of the Planned or Command Economy at a given point in Zeit. The State will always be the final authority and thus wields all Intents of Command and Obedience regarding the Work-Standard. Furthermore, there cannot be any "Price Controls." A Price Control basically freezes the Price of any good or service into a specified amount or else range. The problem with Price Controls is that they are never meant to change at all according to current economic conditions. Once they are enacted, the Price remains static until repealed. There should also be legislation forbidding any price gouging. Under no circumstances outside of the absolute life-or-death conditions of Total War are there to be preventable shortages or implementations of rationing by the central government.

Lastly, if the Attrition Rate governs Currency Depreciation and the Inaction Rate for Currency Appreciation, what can be said about the extremes of Attrition and Inaction? What forms would they take? Are there any historical precedents which need to be presented to the Central Bank as potential case studies where implementing the Mechanization Rate could save lives?

‘Death-by-Overwork’, the Work-Standard’s Version of Hyperinflation

Various historical events have been cited by historians and economists alike as providing definitive examples of Hyperinflation. Weimar Germany, Mugabe’s Zimbabwe, and Venezuela have been cited as contemporary examples in the past century alone. These examples are well-known cases where there is an overwhelming amount of any Currency in circulation as Kapital and the Value plummets to nothing. All three cases continue to be cited because each one has occurred under Financial Regimes not relying on the Bimetallism (the Gold and Silver Standards), but instead Chartalism (the Debt-Standard). This is not to suggest that Gold and Silver are immune to Hyperinflation as neither are exceptions. Examples of Hyperinflation involving Bimetallism include the Roman Empire’s Crisis of the Third Century of 235-284 AD and the German Reich’s *Kipper- und Wipperzeit* (Tipper and Seesaw Time) during the Thirty Years War in 1621.

Granted, it must be stressed that the Work-Standard is also not immune to its equivalent of Hyperinflation, ‘Burnout’, which is the figurative shorthand for its more literal shorthand: **Death-by-Overwork**. With Death-by-Overwork, therein lies the extreme effects of Attrition, its polar opposite for Inaction being **Death-by-Inaction**. Before any serious investigation into how Hyperinflation is factored by the Work-Standard, two important questions deserve to be asked. Why do governments resort to rapid depreciation of their Currency? Under what conditions would Death-by-Overwork become justifiable as part of any flawed Socialist Monetary Policy?

Most historical examples of rapid Currency Depreciation have often been the consequence of running budgetary deficits. They tend to occur during periods of political and economic crises, military conflicts, and social instability. The justification itself revolves around an emergency measure on the part of governments to create large quantities of Currency as a means of financing their budgetary deficits. The effects become a secondary concern, eclipsed by larger ones like the possibility of being annihilated in a war or the government being forced to crack down on dissent as part of restoring order and stability. The Currency Depreciation could be addressed later, when the government finally achieves a more tenable position to deal with the negative effects.

If governments can justify Hyperinflation on the basis of national survival or a national emergency, it can be argued that similar justifications will be made by any country relying on the Work-Standard. The political context in which they occur will stem from factors that exist beyond the immediate purview of monetary policy. Within monetary policy alone, the effects are factored by the overall creation of Arbeit across a given Zeit and how high the Mechanization Rate had been set. Outside the realm of monetary policy, the effects are more noticeable within the national economy, and that is where the Work-Standard differs from both Bimetallism and Chartalism. Since the Work-Standard is capable of achieving proper Synchronicity between the economic and financial realms by the political realm, the effects of Death-by-Overwork cannot be discerned from the mere act of creating of more Geld by the Financial Regime.

The Work-Standard’s version of Currency Depreciation was defined as the “Attrition Rate.” Having a governable amount of Attrition within normal bounds is preferable because Burnout arises from the accumulation of excessive Attrition through unrealistic amounts of Arbeit being contributed to the Life-Energy Reserve within a short period of Zeit. Here, the contemporary examples over the past year alone actually extend beyond the usual cases of Weimar Germany, Mugabe’s Zimbabwe, and Venezuela. Given the Work-Standard’s distinct conception of Currency Depreciation/Appreciation, the more plausible examples worthy of investigation are the “Great

Leap Forward” of Maoist China, the “Lost Decades” of post-1945 Japan, and the major military conflicts of the 20th century like the two World Wars. Even though a forthcoming investigation is required to fully grasp how the Work-Standard functions under the wartime conditions, the Great Leap Forward and the Lost Decades deserve to be studied as worthy case studies in themselves.

In the Great Leap Forward, Chairman Mao and his faction within the Communist Party of China were trying to quickly industrialize the entire People’s Republic of China within the span of a single Five-Year Plan. Their more moderate rivals at the time believed that the industrialization of the PRC should occur gradually over a longer period, allowing the peasantry to be collectivized before any large-scale industrialization can occur. This occurred at a time when the PRC had won the Chinese Civil War against Chiang Kai-Shek and the Kuomintang, who retreated to the island of Taiwan, where their descendants still hold out today. Since the PRC needed to rebuild Mainland China and create an economy capable of sustaining itself, the Great Leap Forward was justified on those grounds between 1958 and 1962.

Entire populations in Mainland China were compelled by Beijing to form farming collectives and entire industries of workers were conscripted into the industrialization efforts. Chinese industries were to surpass the industrial capacity of the United Kingdom within the next fifteen years (1973, to be exact). The goal was really motivated by propaganda more than anything else, inspired by a similar Five-Year Plan under Nikita Khrushchev where the Soviet Union would surpass the United States industrially within the same timeframe. Since this Five-Year Plan was also the infamous “Seven-Year Plan” (for lasting seven years), the Great Leap Forward also fell short of its own expectations due to poor organization, timing, and coordination.

The consequences of the Great Leap Forward led to the PRC’s overall food production to deteriorate, which led to mass starvations by the tens of millions. It also led to its economy to stagnate, the effects of which lasted for the rest of Chairman Mao’s reign. Another consequence was the infamous Cultural Revolution, a years-long campaign by the CPC to consolidate its power after the failure of the Great Leap Forward. But perhaps the most pervasive and recognizable set of consequences has been the PRC’s gradual pursuit of market reforms initiated under the reign of Deng Xiaoping, which contributed to a swift economic recovery that resulted in Mainland China surpassing the post-1945 Japanese economy.

Post-1945 Japan, despite its Liberal Capitalist Market Economy, offers noteworthy examples into the negative effects of Burnout that can arise under the Work-Standard. While Mainland China was pursuing Dengist market reforms, the post-1945 Japanese economy entered the euphoria of an asset-price bubble created by the Plaza Accord of 1985. The debilitating effects of the faux-prosperity in the late 1980s, including its gawdy influences on Japanese culture, manifested fully when the bubble burst at the end of the Cold War. A “Lost Decade” materialized in its wake during the 1990s to inflict economic stagnation on Japan, the effects of which were exacerbated due to Japanese technology and financial firms being affected by the Dot-Com Bubble, the 9/11 Attacks, and the Great Recession. The absence of a coherent recovery in the 2000s, coupled with the subsequent earthquake and tsunami that led to a nuclear reactor meltdown in 2011, has led to the Lost Decade being extended to include the 2000s and 2010s.

Unlike the Mainland Chinese example from earlier, the post-1945 Japanese case included an economy suffering from rampant Deflation, Negative Interest Rates, an aging population, declining birthrates, rising deathrates, and depopulation of the countryside. Worsening these effects is a hellishly grueling work-culture centered around a worker’s absolute, blind loyalty to their Zaibatsu-like ‘Keiretsu’ as ‘Salarymen.’ The term “Karoshi,” from which the Work-

Standard's Death-by-Overwork originated from, has become a negative consequence of a work-culture that forces its workers to literally overwork themselves to the point of death or suicide.

The significance of the Japanese work-culture presents an interesting dynamic about the impact of excessive Attrition accumulating into Burnout. Had the Japanese Yen been pegged to the Work-Standard and provided that the work-culture refuses to change, it is doubtful that the Japanese economy will recover from the Lost Decades in a meaningful way. The Work-Standard, rather than being a source of redemption in alleviating the country's Deflation Rate (which the Work-Standard registers as its Inaction Rate), may instead contribute to a higher than normal Attrition Rate tantamount to achieving literal Burnout. 'Karoshi', including the deaths it causes, no longer remains as a social issue divorced from economic and financial stressors; it becomes a matter of genuine governmental policy.

Monetary Expansion/Contraction

Following the Reciprocal Theory of Value (RTV) and the Work Theory of Money (WTM) to their logical conclusions, several important observations can now be drawn regarding the specifications of the Life-Energization Reciprocity (LER) Process. The implications of everything related from the past four Entries in the SMP Compendium indicate the need for mathematical equations and formulas to demonstrate the strategic, operational and tactical capabilities of the LER Process. To begin, note the peculiar, flowery language being described in the previous Entry:

“The Synchronization of Arbeit and Geld sets the precedent for QW determining the Value of Actual Arbeit and QM affecting the Price of Actual Geld. The overall performance and well-being of everyone in their Vocations, Professions, Enterprises, Industries and Economic Sectors affect the *Quality of Arbeit* in relation to the *Quality of Geld*. The inflows of Actual Arbeit inside the Life-Energy Reserve are decisive in the discernible ‘Schwerpunkt’ (Focal Point)’ of a ‘Work-World’ overseeing conversions to Actual Geld. The QW of one Vocation is added to the Socialist Nation’s ‘Final Quality of Arbeit’ (FQW),” allowing its FQW to be combined with ‘Economic Socialization’ (ES)’ and ‘Solidarity Rate’ (SR)’ to yield a ‘Final Quality of Geld’ (FQM).’

Through FQW and FQM, the Socialist Nation’s acquires its ‘Total Economic Potential’ (TEP)’ and ‘Total Financial Potential’ (TFP)’ respectively. The Attrition/Inaction Rate transmutes the Socialist Nation’s TEP into ‘Real Total Economic Potential’ (RTEP)’ and TFP into ‘Real Total Financial Potential’ (RTFP).’ Both RTEP and RTFP eventually form the Socialist Nation’s ‘Total Productive Potential’ (TPP)’ as the controlling factor in the Central Bank’s ability to expand or contract the overall ‘Requisitionary Productive Forces’ (RPF).”

Even though all of these terms will be elaborated in greater detail over the course of the SMP Compendium, the most relevant ones for the purposes of this Entry are the *Schwerpunkt*, *Work-World*, and *Requisitionary Productive Forces* (RPF). These three terms were introduced as part of *The Work-Standard* (2nd Ed.) to refer to specific factors and topics which were already present in the original First Edition, but never given precise technical designations or enough comprehensive information on their strategic importance for the Financial Regime’s Central Bank and the State Commissariats of Wages and Prices.

The Total Productive Potential (TPP), as established earlier, refers to the sum total of RTEP (Real Total Economic Potential) and RTFP (Real Total Financial Potential) from all of the known economic and financial activities in the Socialist Nation. The final TPP value determines the overall Monetary Base of the Life-Energy Reserve, informing the Financial Regime on how many currency units could be put into circulation by the Central Bank as Legal Tender. This particular variable, the *Requisitionary Productive Forces* (RPF), is the formal technical designation for the Central Bank’s control over the extent of Monetary Expansion/Contraction.

Under normal conditions, when the Central Bank pursues Monetary Expansion, the RPF value rises against the TPP value. Conversely, when the Central Bank carries out Monetary Contraction, the RPF value falls relative to the TPP value. If the RPF value surpasses the TPP value, any excess units will be counted toward the Socialist Nation’s Sovereign Schuld. As long as the RPF value stays at or below the TPP value, any further expansions of the Monetary Base will not lead to the creation of Sovereign Schuld. What may seem like a hindrance to the Totality

and State can be confronted in a multitude of ways for the Totality and State. Below are three lesser-known methods by which the Central Bank will be able to expand or contract the RPF value. Each of the following demonstrates the Work-Standard's flexibility in providing an impressive arsenal of creative strategies to raise the RPF value without accumulating any Sovereign Schuld.

The Schwerpunkt and the Work-World

The Life-Energy Reserve offers a number of special accommodations and features that enhance the LER Process by operating on parameters different from comparable rivals like the Gold Standard's "Gold Reserve" or the "Blockchains" of most Cryptocurrencies. Aside from its primary role of facilitating the conversions of Arbeit-into-Geld and Geld-into-Arbeit, the Life-Energy Reserve is capable of enabling the establishment of a "Work-World." In the legal jurisprudence of the Socialist Nation, the Work-World governs the Dominion of all known economic and financial activities compatible with the LER Process, distinguished by their capabilities of contributing Arbeit and generating Geld for the Life-Energy Reserve. The Work-World also covers a broad range of other non-economic and non-financial activities that can be reconfigured for the LER Process, allowing the affected organizations, facilities and personnel to contribute Arbeit and generate Geld. One obvious example involves the State retrofitting specific "Public Goods" like education and healthcare, allowing every school and hospital to afford its own upkeep and maintenance costs, and providing the Totality with newfound sources of economic growth. Something similar is also applicable to transportation, electrical power, infrastructure, water and waste treatment, and other basic necessities by dint of the basic fact that the State will always need somebody to contribute Arbeit as part of those Professions.

Another set of implications related to the Work-World involve helping the Socialist Nation find and eliminate Kapital from all facets of everyday life. Liberal Capitalist concepts such as Privatization, Marketization, Deindustrialization, Social Safety Net, Universal Basic Income (UBI), Pensions and Insurance, Rents and Mortgages will all be rendered obsolete. It is also feasible to envisage other concepts like the Progressive Taxation, Securities, Private Property and Common Property being abolished outright in favor of their proper Socialistic alternatives, all of which will become the topics of interest among the relevant Entries in the SMP Compendium.

There are plenty of lucrative opportunities in the Work-World for the Totality and State to further augment the capabilities of the Work-Standard by developing newer forms of Arbeit and Geld, allowing other aspects of everyday life to become applicable to the Work-World's sphere of influence at the behest of the Life-Energy Reserve. That will allow the Socialist Nation to eliminate the Work-Standard's ideological rivals like the Post-Bretton Woods Debt-Standard, Gold Standard, Cryptocurrencies, Modern Monetary Theory (MMT), Quantitative Easing, Monetarism, Freigeld, Time-based Currencies, NFTs (Non-Fungible Tokens) and all the rest by rendering them obsolete. Even the Financial Market and the Fractional-Reserve Banking System will have no chances of surviving anywhere in the Socialist Nation. Truly, a whole different way of life is well within reach of being brought into existence by the Totality and their State.

Guiding the Work-World and the Productive Forces of the Totality and the State is the *Schwerpunkt* at the heart of the LER Process. The Schwerpunkt gives the entire Socialist Nation, as part of the Vocational Civil Service (VCS), the conceptual and theoretical framework to determine the Values and Prices of raw materials, goods and services based on their strategic importance to the Totality. The growing multiplicity of choices, decisions, tasks and assignments so characteristic of this 21st century—this "*New 20th Century*," will no longer be the daunting chore anymore that it was under Liberal Capitalism. Additionally, the Schwerpunkt enables the Socialist

Nation to eliminate the concept of Commodity altogether with the introduction of its Socialistic alternative, the “Equipmentality.” Operating on the same metaphysics as the LER Process, the Equipmentality offers provides the Socialist Nation with newfound Intents to “*Repurpose*” anything to fulfill secondary or tertiary purposes based on their “*Reference*” and “*Relevance*.”

Inflow/Outflow Convertibility Rates

Should it ever become necessary, the Life-Energy Reserve is flexible enough to allow the Central Bank, the State Commissariats and State Banks, Central Planners as well as subordinate Inspectors, Accountants and Economic Planners to oversee alterations to *Inflow/Outflow Convertibility Rates* for Arbeit-into-Geld or Geld-into-Arbeit. This enables the Financial Regime to change the Value of Arbeit and Price of Geld in response to emerging national priorities, to prioritize certain goods and services, to help the Socialist Nation adjust to wartime conditions, natural disasters, pandemics and other contingencies with economic and financial implications. These changes can be applied to individual Professions, Enterprises, Industries and Economic Sectors or they be made applicable to the entire Socialist Nation.

In essence, it is possible to imagine the Value of Arbeit among certain Professions, Enterprises, Industries and Economic Sectors to be falling and their Price of Geld rising due to the excessive production of certain goods and services. At the same time, others could see their Value of Arbeit rising and their Price of Geld falling as a result of what is happening elsewhere in the Socialist Nation. These alterations will then proceed to affect the Final Quality of Arbeit (FQW) and Final Quality of Geld (FQM). The Economic Planners, Accountants and Inspectors relay those changes to the State Commissariats, the Central Planners and the Central Bank by depositing financial ledgers at specified State Banks tasked and transferring them to the Life-Energy Reserve.

A suitable example of where this will become beneficial for the Socialist Nation involves the problem of “Overtourism” as the decisive factor behind making the Coronavirus Pandemic an inevitable crisis prior to 2020. If one does not remember how the Pandemic became a worldwide phenomenon, let it be known that the Tourism, Hospitality and Airline Industries of the Western world had cheapened the experience of traveling abroad. The years preceding the Coronavirus Pandemic was marked by alienated local populations, environmental damage, and disturbances to the local scenery and social order among the affected town and cities. With this important historical precedent in mind, a functioning Council Democracy will allow the Totality to raise the problem of Overtourism as not just being a socioeconomic or environmental issue alone; it is also a political and cultural issue of significance for future generations as an educational matter.

This is not to suggest that the Socialist Nation ought to be compelled to close its borders, refuse the opportunity of negotiating Real Trade Agreements (RTAs) or avoid cultivating cultural understanding with other countries. The Totality is supposed be given a public forum by their central government, where they will be able to voice their concerns about the massive influx of tourists to their own communities for instance. It is even important for the Totality to help the Council State decide on the extent to which their Socialist Nation should be dependent on certain Industries as sources of Arbeit and Geld within the Work-World. Should the Totality fail to take the initiative, the Council State will then remain as the final authority to decide on matters such as Overtourism. Had other countries listened to their own peoples, the Coronavirus Pandemic could have been avoided or have its severity reduced at the very least.

Currency Devaluation/Revaluation

There may be moments where the Price of Geld is ‘underpriced’ or ‘overpriced’. Put another way, the Price may not reflect the true Value of Arbeit. A similar problem may occur when the Quality of Arbeit becomes distorted by allowing it to be ‘undervalued’ or ‘overvalued’ on the Price of Geld. While this is capable of happening from sudden fluctuations in the Attrition/Inaction Rate, the distortions may even occur from rapid, massive and sustained changes to how much Arbeit is being contributed to the Life-Energy Reserve. Wars, natural disasters, pandemics, political instability, and other similar crises are capable of causing them.

Since the Work-Standard has its pegged Sociable Currency on a Fixed Exchange Rate, one possible cause during peacetime is a trade imbalance, an important topic among SMP Compendium entries concerning international trade. “**Devaluation**,” unlike Currency Depreciation, does not stem from a rising Attrition Rate. It instead involves the Central Bank deliberately declaring that the Price of Geld will be increased against another Currency or a Basket of Currencies. The Intent here is to secure cheaper Exports and expensive Imports within the Exchange Rates. This causes the financial firepower of Foreign Currencies to strength, requiring greater amounts of Geld to purchase them. Since the Work-Standard entails a Financial Regime to be operating on a Fixed Exchange Rate, this can all be done officially.

The same is true for the polar opposite of Devaluation, “**Revaluation**.” Unlike Appreciation, Revaluation also does not occur from an increase in the Inaction Rate. The Fixed Exchange Rate enables the Financial Regime to lower the Price of Geld against another Currency or a Basket of Currencies. The financial firepower of Foreign Currencies weakens against the Sociable Currency and less Geld will be needed to purchase the same amount of Foreign Currency. The Intent of this decision entails expensive Exports and cheaper Imports.

Striking a proper balance between Devaluation and Revaluation is crucial in international trade. They are integral to ascertaining the “**Balance of Trades and Payments**” that govern the Real Trade Agreements (RTAs) of the Socialist Nation under the Work-Standard. As soon it becomes necessary to Devalue or Revalue the Sociable Currency, refrain from letting the Central Bank make massive alterations to the Price of Geld against any or all of the known Currencies in circulation. Any Devaluation or Revaluation is bound to cause the Financial Regimes issuing those Foreign Currencies to retaliate by Devaluing or Revaluing their own Foreign Currencies against the Sociable Currency of the Socialist Nation. The result bears an uncanny resemblance to a financially-driven arms race called a “Currency War,” its implications beyond the immediate purview of this Entry and the rest of Section Two.

Is the Work-Standard Constitutional?

In Socialist countries like the Soviet Union, there is a constitutional basis regarding the implementation of the Work-Standard. For example, the 1936 Constitution of the Union of Soviet Socialist Republics (USSR) included an Article which can be interpreted as an Constitutional Intent for pegging the Soviet Ruble to the Work-Standard. This means it is perfectly constitutional for Josef Stalin and the Communist Party of the Soviet Union (CPSU) to peg the Soviet Ruble to the Work-Standard. The Article in question is “Article 12” from “Chapter 1: The Organization of Society” from that Soviet Constitution:

“ARTICLE 12. In the the Union of Soviet Socialist Republics work is a duty and a matter of honor for every able-bodied citizen, in accordance with the principle: “He who does not work, neither shall he eat.”

The principle applied in the the Union of Soviet Socialist Republics is that of Socialism: “From each according to his ability, to each according to his work.”

How would somebody in the Soviet Union from 5 December 1936 to 7 October 1977 interpret Article 12 if they were proposing the Soviet Ruble to be pegged to the Work-Standard?

“ARTICLE 12. In the Union of Soviet Socialist Republics [Arbeit] is a [Legal Duty] and a matter of honor for every able-bodied citizen, in accordance with [this Constitutional Obligation]: [“He who does not contribute any Arbeit to the Life-Energy Reserve shall not be entitled to receive any Geld whatsoever.”]

[This Constitutional Obligation] applied in the Union of Soviet Socialist Republics [adheres to the following Constitutional Intent]: “From each according to his ability, to each according to his [Arbeit].”

When the Soviet Union under Leonid Brezhnev decided to phase out the 1936 Soviet Constitution in favor of a newer Constitution in 1977, the Article 12 reappeared as “Article 14” from “Chapter 2: The Economic System.” It reads as follows:

“ARTICLE 14. The source of the growth of social wealth and of the well-being of the people, and of each individual, is the labor, free from exploitation, of Soviet people.

The state exercises control over the measure of labor and of consumption in accordance with the principle of Socialism: “From each according to his ability, to each according to his work”. It fixes the rate of taxation on taxable income.

Socially useful work and its results determine a person’s status in society. By combining material and moral incentives and encouraging innovation and a creative attitude to work, the state helps transform labor into the prime vital need of every Soviet citizen.”

How would anyone in the Soviet Union between 7 October 1977 and 26 December 1991 interpret Article 14 if they advocated for the Soviet Ruble to be pegged to the Work-Standard?

“ARTICLE 14. The [Value] of the [Soviet Ruble] and of the well-being of the people, and of each individual [in the Union of Soviet Socialist Republics], is the [Quality of Arbeit], free from exploitation, of [the] Soviet [Totality].

The [Soviet State] exercises [National Sovereignty] over the [Soviet Life-Energy Reserve and the Total Productive Potential] in accordance with [this Constitutional Intent]: “From each according to his ability, to each according to his [Arbeit].” It [is also permitted to also change] the rate of taxation on taxable income.

[Quality of Arbeit] and [Social Rank] determine a person’s status in [the Union of Soviet Socialist Republics]. By [providing Explicit and Implicit Intents under the Intents of Command and Obedience], the [Soviet State shall] transform [the Soviet Ruble] into the [basis of a Socialist Monetary Policy].”

If one had to choose between the 1936 Soviet Constitution’s Article 12 and the 1977 Soviet Constitution’s Article 14, they should pick the 1936 Constitution and its Article 12. That one is more straightforward and easier to follow because it only has a Constitutional Intent and a Constitutional Obligation. And I am saying this as an American relying on the very same Constitutional arguments posited by Alexander Hamilton from *The Federalist Papers*.

It can also be argued, from the standpoint of *Federalist Paper No. 84*, that the entire 1977 Soviet Constitution resembles more like the Bill of Rights than the US Constitution itself. The 1977 Constitution states only the most obvious of Legal Rights and Legal Duties, which is really redundant if one thinks critically enough about “Chapter 2, Article 14.”

American Questions on the Constitutionality of the Work-Standard

- Are there any *Constitutional Intents* regarding the Work-Standard in the US Constitution?
- Are there any *Constitutional Obligations* regarding the Work-Standard in the US Constitution?
- Why is the Federal Government the overriding authority on pegging the US Dollar to the Work-Standard instead of the State Governments?
- Which of the two Branches in the Federal government is the overriding authority if the US Dollar gets pegged to the Work-Standard, the US Congress or the President of the United States?
- Has the US Supreme Court issued any Rulings that can be favorable to the Work-Standard?
- Does US History provide any Constitutional precedents relevant to the Work-Standard?
- And why should any American political party, adhering to Hamiltonian Federalist Socialism, obey the Implicit Intent given by Alexander Hamilton himself in *Federalist Paper No. 85*?

Any implementation of the Work-Standard is perfectly legal within the framework of the US Constitution and Federal Law by extension. However, understand that none of the States in the Union have the power to issue their own Currency or maintain their own Life-Energy Reserves; that power has always belonged to the Federal government since the Ratification of the US Constitution. In fact, it is also part of the same Implicit Intent as to why the national capital of the United States is Washington DC and not Philadelphia and why the Federal government has full command and control over the US National Debt. The US Constitution has provided the necessary Constitutional Intents and Obligations under Article I Section 8, all of which is related to the powers of the US Congress. The most relevant passage of all is the “Necessary and Proper Clause”:

“[Congress has the power] [t]o make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this

Constitution in the Government of the United States, or in any Department or Officer thereof.”

This is the same Necessary and Proper Clause which Hamilton was relying on to establish the “First National Bank of the United States.” It is also the same Necessary and Proper Clause that the Federalists on the US Supreme Court were relying on to make their unanimous decision while ruling in favor of *McCulloch v. Maryland* case from 1819.

“In an opinion by Chief Justice John Marshall, the Supreme Court held that first, Congress had the authority to create the Bank of the United States. Second, the Bank of the United States had the right to establish branches within the States, and the States did not have the power to tax or otherwise interfere with any constitutional means by which the Federal government exercised its authority. Although the Constitution did not specifically enumerate the authority of Congress to establish a Federal bank, Congress nonetheless had the implied power to do so. Because the government had the powers of the sword and the purse, it must have ample means to execute those powers. The Necessary and Proper Clause of the Constitution (Article I, § 8) enabled Congress to pass all laws to effectively pursue its specified ends: “Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consist with the letter and spirit of the Constitution....” Thus, Congress had wide discretion to make policy decisions so long as those decisions were plainly adapted to a constitutionally authorized end, and the Court would defer to Congress in these cases.”

Under Justice John Marshall, the Supreme Court was the last Branch of the Federal government that the Jeffersonians took over. The Jeffersonians took over the Presidency when Thomas Jefferson became the President of United States. And prior to that, Jefferson himself was the Vice President under John Adams, which cannot be possible without the Democratic-Republican Party exerting greater control over the US Congress than the Federalist Party.

Therefore, under the US Constitution, the power to decide whether the US Dollar gets pegged to the Work-Standard or not will always belong to the US Congress. The President of the United States can veto it, but a two-thirds majority from both the House of Representatives and the Senate will override that veto. And if the Supreme Court decides to claim that pegging the US Dollar to the Work-Standard is unconstitutional, the Congress is still the overriding authority because it can always add a new Amendment to the US Constitution on behalf of the American Totality, the Federalist American Union that is truly definitive of these United States.

An argument can be made that the constitutional precedent on the constitutionality of the Work-Standard was already set by Hamilton and the Federalists early on in the American Union’s existence. In fact, we cannot read *Federalist Paper No. 85* without realizing that Hamilton had to have anticipated the possibility of something like the Work-Standard more than two centuries prior to this Blog post and anyone who happens to be reading it. In essence, only with the support of the American Totality can Congress be compelled to peg the US Dollar to the Work-Standard. Even so, the Author remains confident that there are other constitutional precedents and Supreme Court rulings in American history. It can become an effort all on its own and may be beyond the focus of the SMP Compendium.

The Transitional Period

Introduction to Nietzscheanism-Leninism

“What is Socialism? If we are Socialists, what are we actually fighting for? This question, long a subject of debate on the [‘Political Left’], is receiving even more attention today because of the momentous changes taking place in China and the Soviet Union. Many activists are being challenged by developments in these and other countries to rethink their conceptions of Socialism. Part of the confusion comes from a tendency in the Left to view Socialism as an abstract theoretical issue. Some seek a universal set of principles that ‘define’ Socialism, a checklist which determines if a country is ‘really’ Socialist. Others say Socialism is simply public ownership of the means of production, and other criteria are irrelevant. Still others argue there are no Socialist countries in the world today.

The problem with such approaches is their stress on finding the ‘right definition’ somewhere in the writings of Marx, Engels or Lenin. However, Marx and Engels never provided a detailed picture, nor did Lenin before the October Revolution of 1917. And since the Russian Revolution, there has been a great variety of forms of Socialism in different countries, and even in different periods in the same country[.] In examining Lenin’s history and writings it is clear he had no set conceptions about what Socialism would look like. His views on Socialism changed and developed as he gained experience with the tactics and methods of constructing it. But the thread which runs through Lenin’s writings is his view that Socialism should be a society where the working people control their own fate, a society organized to benefit the vast majority. This view was the foundation for Lenin’s efforts in Socialist construction.”

-Richard Fleming, Lenin’s Conception of Socialism, ca. 1989

Everything up until this particular Entry has been about the theoretical basis explaining what the Work-Standard is. Over the course of the previous Entries, important entities and concepts have emerged, but none of them appear to be concrete or even interconnected. The lynchpins keeping everything together are the Constitutionality of the Work-Standard, the Reciprocal Theory of Value (RTV), the Work Theory of Money (WTM) and the Life-Energization Reciprocity (LER) Process. Those four metaphysical concepts serve as the blank canvas by which to describe the “Socialist Nation of the Revolutionary Realm” (aka the ‘Socialist Nation’), the Author’s metaphysical designation for the first country to peg its Currency to the Work-Standard. The Socialist Nation in the rest of the SMP Compendium is not meant to represent a specific country per se; whether it was already under Socialism prior to adopting the Work-Standard is not important. What is important, however, is whether the Socialist Nation’s adoption of the Work-Standard has the potential to affect these United States and the Empire of Liberty due to the fact that the US Dollar is still the World Reserve Currency after the Death of Bretton Woods.

The Intent behind having the *Socialist Nation* as a blank canvas is made possible by the characteristics of *Pure Socialism* being its own metaphysical concept as a placeholder. Contrary to the mainstream consensus in Political Science, there has never been a formal, definitive and even authoritative description of what truly constitutes Socialism. Karl Marx and Friedrich Engels never provided a concrete image of what forms would any Socialism assume in the Real World. Their version of Socialism, *Scientific Socialism*, was as much a critique of *Utopian Socialism* as it was also a critique of Liberal Capitalism. Unfortunately, as a product of the 19th century’s

overemphasis on the natural sciences like Biology and Chemistry, Scientific Socialism has consistently lacked its own Metaphysics to distinguish itself from those of Utopian Socialism (Protestant theology) and Liberal Capitalism (Enlightenment ideals). The consequences had set the precedent for problems like people stereotyping all Socialisms as being a religion promoting values like movement and sameness, an obsessive fixation on petty economic concerns and social ills, advocacy of Social-Democracy or an “*advanced form of Liberalism*.”

Vladimir Lenin saw these philosophical problems confronting all Socialisms, and it became the overarching theme of his own political philosophy and activism. He referred to this discernible absence of Socialist Metaphysics as “Economism,” what this Author specifically referred to as “**Marxism-Lutheranism**.” A ‘Religion of Hate’ characterized by the resolute rejection of Socialism’s *Affirmation of Life as the Principle of Public Service*, Marxism-Lutheranism consistently exhibits theological-like tendencies and idealistic perceptions of Reality that borderline on the Utopian. Its ethical premises are known to have had tendencies to gravitate toward certain economic forms of Antisemitism like the equivocation of all Jews with Kapital, much of which can be traced back to Martin Luther’s *On The Jews and Their Lies*. This particular trend, once thought to have ended in the Western world during the previous century, is quietly reappearing behind the backdrop of contemporary politics.

Meanwhile, Lenin’s Socialism deserves the fitting designation of “**Nietzscheanism-Leninism**” here as opposed to its more well-known derivative, ‘Marxism-Leninism’. The latter obscures the little-known connections between Lenin’s own political philosophy and the philosophy of Friedrich Nietzsche. It is only through Nietzscheanism-Leninism that a Socialist Metaphysics was finally envisaged in the 20th century, giving rise to a number of *Artistic Socialisms* created from Pure Socialism as their templates and the Socialist Nation as their goals. **Neither Hamiltonian Federalist Socialism nor the Work-Standard would have been possible, had it not been for the Socialist Metaphysics of Nietzscheanism-Leninism.** With these distinctions in mind, let us begin our investigation into the specific Metaphysics of the Socialist Nation and Pure Socialism, both of which become elaborated throughout the SMP Compendium.

The Socialist Nation: Areas of Interest

The geographical location of the Socialist Nation will affect how the Work-Standard is implemented and the conditions that its Pure Socialism must overcome. It could be a ‘developed country’ situated somewhere in the Western world or a ‘developing country’ located anywhere outside the Western world. Both preset categories come with their own distinct sets of obstacles and hurdles, all of which need to be overcome by the Totality and their Council State. The SMP Compendium focuses on five broad areas of interest for the Socialist Nation: educational institutions, national economy, financial system, central government, and digital infrastructure.

Developing countries tend to have their youths emigrate to developed countries in order to send Kapital back to their families because the best among them lack the opportunities to build their futures at home, while the rest are at risk of becoming too Americanized thanks to Cultural Imperialism. National economies are dependent on specific natural resources as the primary source of State Revenue, lack sufficient technologies and technical expertise for the production of certain goods and services as well as the necessary infrastructure to facilitate reliable transportation networks and important facilities like schools, hospitals, airports and electrical power plants. The financial system is at a constant disadvantage against the US Dollar, the Euro, the Pound Sterling and the Japanese Yen and must depend on foreign investors and multinational corporations in order to maintain a decent standard of living. The central government is more likely to be struggling to

tackle corruption and crime, provide the basic essentials, defend the country against potential enemies and so forth. Its digital infrastructure and telecommunications may not be as fast and reliable as the Western world.

Developed countries are in the opposite situation. Most are suffering from demographic decline, youth underemployment, expensive housing and lower chances of strong families building tight-knit communities. National economies no longer have the manufacturing capabilities that they once had and are now heavily dependent on retail, hospitality and tourism, their latter overdependency causing the Coronavirus Pandemic to have had an easier time spreading throughout the Western world. There is an overreliance on financial services and digital technologies to generate the greatest Quantity of Kapital for the least Quantity of Schuld. Much of the central government's services have either been privatized, taken over by commercial firms and are becoming increasingly expensive and difficult to maintain like retirement pensions.

The Socialist Nation is going to be confronted with a wide variety of challenges that are technological and financial in nature. Those two areas are what allow these disparities to persist for developing and developed countries. If the Socialist Nation is outside the Western world, it lacks the technical and financial capabilities to be self-sufficient and less dependent on the Western world. After all, its hopes for gaining a higher standard of living entail exporting cheap raw materials to the Western world. Dealing with environmental damage and resource depletion, in addition to not being diplomatically isolated, will be crucial.

Conversely, if the Socialist Nation happens to be situated inside the Western world, the impressively high standard of living in most Western countries will never be sustainable without cheap sources of petroleum for countless different applications, ranging from agricultural petrochemicals and disposable plastics to synthetic rubber and electrical power. It also does not help that so much of everyday life is geared toward the excessive consumption of imported goods and services that are often fueled by limitless amounts of Kapital and Schuld.

Whether the Socialist Nation is contending with the misallocations of resources and manpower or the building up of necessary economic and financial firepower, the Work-Standard is capable of providing the means of production required to achieve those goals. Once the Currency is pegged to the Work-Standard, Kapital will no longer define the everyday realities of the Totality, its replacement by Arbeit warranting the need to pursue a very different set of priorities. There is an entirely different way of life capable of being brought into existence, complete with its own set of values, customs, attitudes and outlook. Everything else is related to how Self intends to live their lives as an Individual interacting with the Totality and the State.

Pure Socialism: Values of Life-Affirmation

The real beauty of Pure Socialism, of how this Author is able to create entirely distinct terms, concepts and ideas related to the Work-Standard, lies in its own ability to transcend the concept of Arbeit itself into the realm of Socialist Metaphysics. Therein lies the idea of "Socialist Finance" introducing the possibility of creating not only a *Socialistic Mode of Production* and a *Socialistic Mode of Being*, but also a "*Socialist Financial Technology* (Socialist Fintech)." Even better is the prospect of the Socialist Nation adopting the Gestalt (Form) of the Proletarian Arbeiter and rejecting the Bourgeois Consumer of Liberal Capitalism. Arbeit has the potential to revolutionize our conventional everyday understandings of 'economic growth,' 'standard of living,' 'returns on investment,' 'wealth inequality,' 'economic freedom,' 'competition', and other terms which are still capable of having their Liberal Capitalist essences removed and replaced with proper equivalents. Under the Work-Standard, these terms and more will assume different forms,

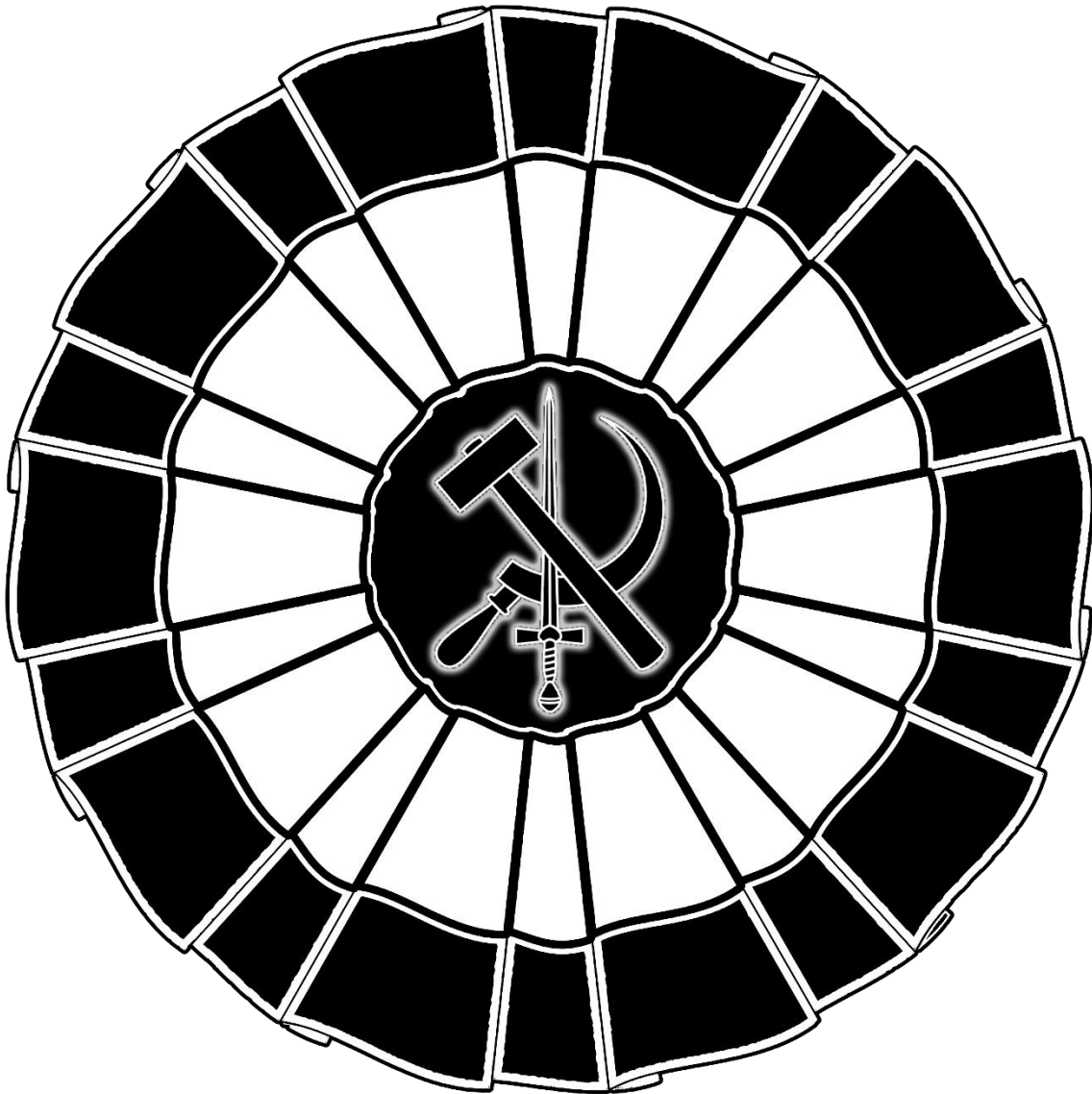
definitions, expressions and manifestations in the Socialist Nation. The best way to discern the extent to which these changes are happening is to determine how well they relate to Arbeit.

Consider the familiar concept of ‘economic growth’ for instance. Most mainstream economists define and measure it in terms of *Kapital Accumulation*, characterized by quantitative increases in the mass production of goods and services intended for mass consumption. Since Kapital is created from a Liberal Capitalist Financial Regime, a “**Fractional-Reserve Banking System**,” where there is Kapital Accumulation in the mass production, there is also a corresponding Schuld Accumulation in the ensuing mass consumption. Everything here is meant to be an unnatural identification of oneself based on what they bought or sold to somebody else.

When recontextualized in the dominion of Arbeit, ‘economic growth’ assumes an entirely different interpretation. Here, the term itself has become associated with the Sustainability in the production of goods and services and the need to maintain their overall Quality against the growing Frequency of transactions for those goods and services. Those goods and services do not materialize out of nothingness, a harsh realization that suddenly dawned on the Western world by COVID-19 and the Great Recession. Somebody had to have created these same goods and services under a limited timeframe and with a similarly limited amount of resources. Unlike Kapital and Schuld, all of these factors will now be easier to comprehend once exposed to the interplay between Arbeit and Geld as the creation of newfound wealth whilst trying to overcome the aforementioned limitations. Even better is the possibility of conceiving a distinct conception of ‘competition’ revolving around the highest Quality of Arbeit to yield the least Quality of Geld, with ‘returns on investment’ being related to the commitments of Life-Energy by everyone involved.

The sooner one adopts this sort of instinctual inclination, the sooner it becomes feasible for anyone and everyone to be transforming Pure Socialism into their very own Artistic Socialism. Everything will fall into place as the Self and the Totality begin accustoming themselves to their new-old lives, their interactions with Arbeit and Geld governed by a metaphysical “**State of Total Mobilization**” as the Council State itself. The pegging of the Currency to the Work-Standard gradually revolutionizes the Socialist Nation’s educational institutions, national economy, financial system, central government, and digital infrastructure. Today, it is no longer about ‘when’ the Socialist Nation will be a possibility. Tomorrow, the question is *how* the Socialist Nation steps into Reality, challenges Neoliberalism’s worldwide hegemony as a sovereign national polity, and dethrones the US Dollar from its lofty Commanding Heights as the World Reserve Currency.

Section Three: Economic Governance

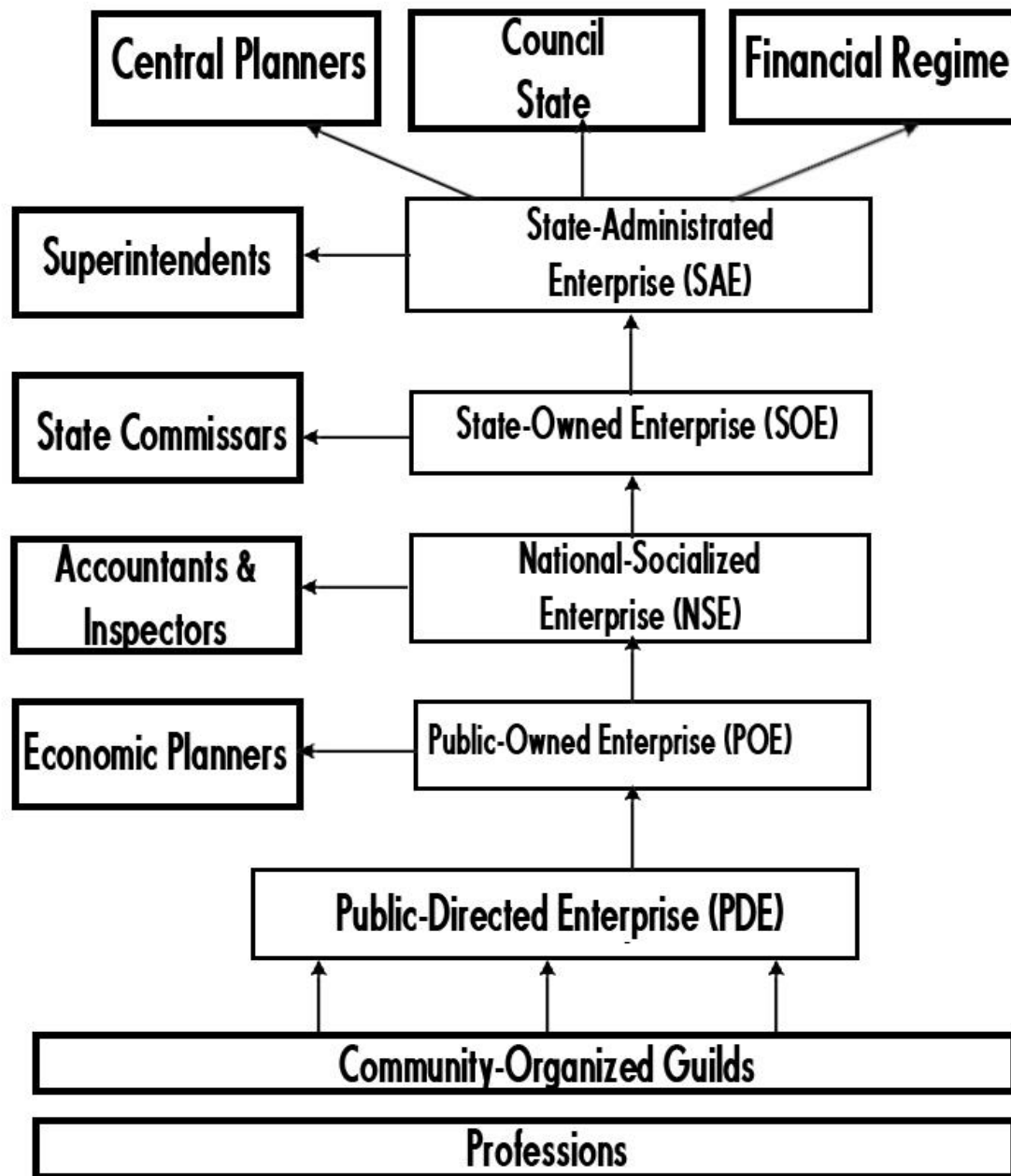


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Types of Economic Organizations

The Work-Standard is designed to accommodate a variety of Scientific and Artistic Socialisms, Corporatism, Syndicalism, and State Capitalism. Practically any national economy that is not operating under Neoliberalism is capable of adopting the Work-Standard. Non-Neoliberal national economies are categorized by the Work-Standard as “Planned/Command Economies,” distinguishing them from the “Market/Mixed Economies” that characterize Neoliberalism. The best example of this trend is exemplified by Corporatism: The Work-Standard is capable of being applied in a State Corporatist economy, a low-tier Planned Economy, but not a Social Corporatist one, a low-tier Mixed Economy. For best results, the Planned/Command Economy in question has to operate as a “Vocational Civil Service (VCS) Economy.” There are five types of Economic Organizations in a basic VCS Economy: “State Administrated Enterprise (SAE),” “State-Owned Enterprise (SOE),” “National-Socialized Enterprise (NSE),” “Public-Owned Enterprise (POE),” and “Public-Directed Enterprise (PDE).”

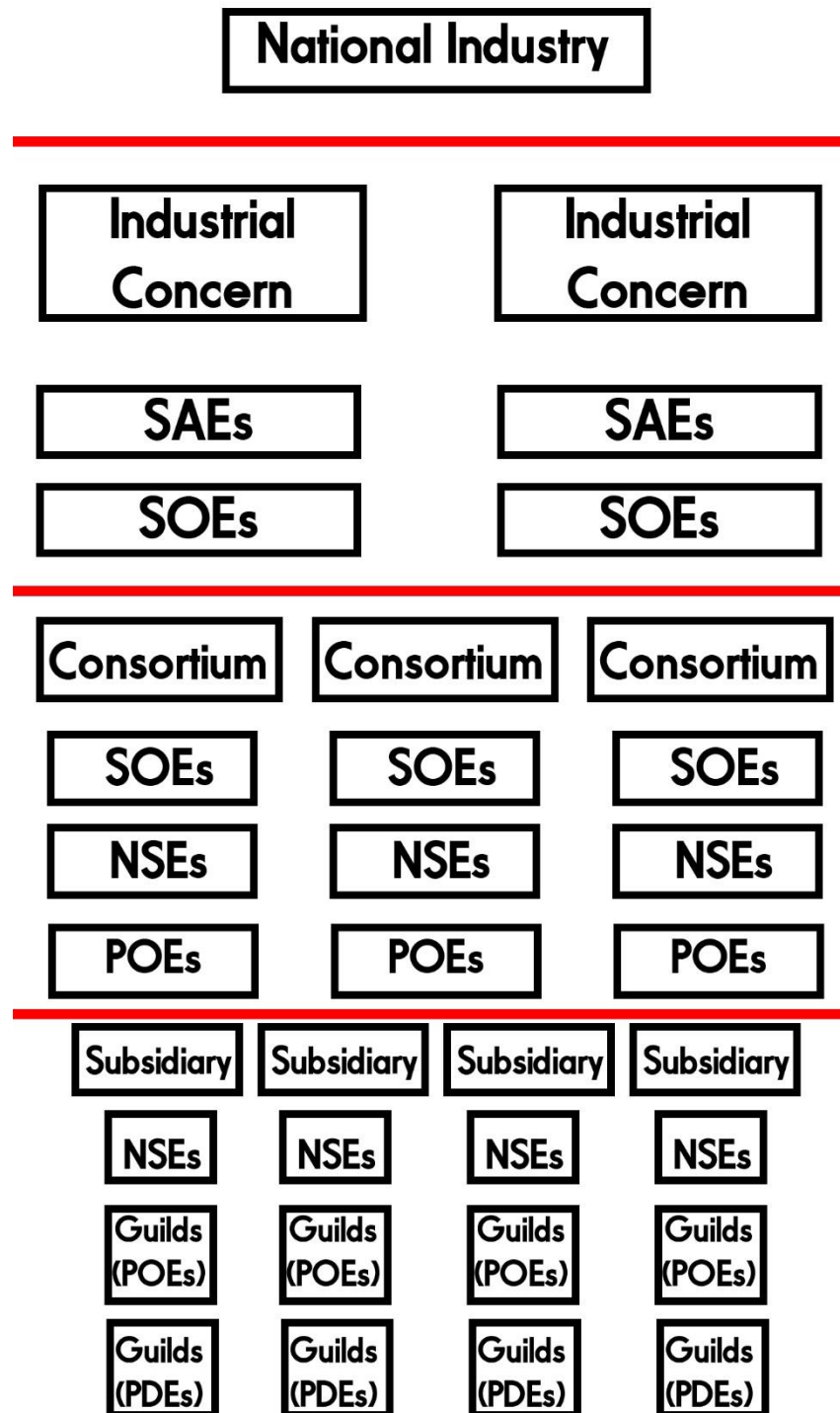
- State-Administrated Enterprises (SAEs) are Enterprises owned and operated by the State. SAEs are recognized by the State as being strategically important to the nation. Thus, they are incapable of operating beyond its borders without being deployed as an official extension of its nation. SAEs tend to very large in terms of size, composition and overall capacity to create Arbeit and Geld. They may operate alone or as part of an “Industrial Concern” consisting of several or more SAEs.
- State-Owned Enterprises (SOEs) are Enterprises that operate on their own initiative whilst under State ownership. Although smaller and less capable than SAEs in terms of Arbeit and Geld, they are still large enough to warrant being brought under the economic governance of the State. Their smaller size and composition also afford them greater flexibility in operating outside of the nation as part of International Trade. SOEs may operate on their own or as part of a “Consortium” with several SOEs, NSEs and POEs.
- National-Socialized Enterprises (NSEs) are Enterprises whose ownership and operation are split between the State and at least one other element of the Totality. As such, they tend to be larger and more powerful than POEs and PDEs due to their flexibility and capacity to create Arbeit and Geld on a nationwide scale. Depending on their size and composition, they can operate alone or as part of a *Consortium* with various SOEs, other NSEs, and some POEs. Smaller NSEs are more likely to operate alongside POEs and PDEs as the Subsidiary of larger economic organizations.
- Publicly-Owned Enterprises (POEs) are Enterprises owned and operated by the Totality. Smaller and less capable than most NSEs, but larger than the PDEs, the vast majority are designed to be affiliated with a Subsidiary or as part of a community-organized “Guild.” Large POEs work alongside SOEs and NSEs as part of the Subsidiary, whereas the smaller ones belong to the Guilds. Most POEs are likely to be affiliated with Guilds because they will not be capable of having nationwide or worldwide reach, which makes them ideal for being brought under the oversight of Regional and Municipal governments.
- Publicly-Directed Enterprises (PDEs) are small Enterprises that create small amounts of Arbeit and Geld as part of an affiliated Guild of PDEs. The vast majority of PDEs tend to be Small Businesses, Cooperatives, and Workshops, which brings them under the governance of a Municipal government.



Author's Diagram of Basic Economic Governance Command Structure

As one could surmise from those five basic Economic Organizations, the amount of Arbeit and Geld that a given Enterprise contributes will determine whether they will be overseen by the Council State, the Regional government, or the Municipal government. This is referred to as the “Social Rank,” which determines whether the Enterprise in question has delegation to an “Economic Chamber” inside the Councils of either the Municipal government, Regional government, or the Council State. In a functioning Council Democracy under the Work-Standard, the political process begins in the workspace, where the personnel of every Enterprise choose their

Delegate to speak on their behalf at the Councils. All policymaking and legislation occur at the Councils. We will explore the details of Council Democracy within a later Section.



The Social Ranking System will also be applied to Enterprises. The picture above is the Author's Diagram of the hierarchal command structure of economic organizations within an Industry.

For now, it is important to mention that the five basic Economic Organizations of the VCS Economy can be categorized further and designated as “State Enterprises,” “Social Enterprises,” “Foreign Enterprises,” “Student Enterprises,” and “Digital Enterprises.” In the VCS Economy, all SAEs and SOEs are *State Enterprises* and most NSEs, POEs, and PDEs are *Social Enterprises*. In International Trade, assuming the World State Organization exists, *Foreign Enterprises* can be guaranteed to be either the State or Social Enterprises of another nation.

For Students of the secondary and tertiary educational levels, those who establish *Student Enterprises* operate under the purview of their own Student government, which maintains its own Economic Chambers and Councils. Alternatively, a *Student Enterprise* may be a Social Enterprise, such as an NSE, POE or PDE, that has been transferred from the VCS Economy to the Student Economy for educational and training purposes. The State reserves the final authority on that matter. The Student government also reserves the authority to transfer a *Student Enterprise* to the VCS Economy as a *Social Enterprise*.

For Enterprises engaged in the Digital Economy, that intermediate between the VCS Economy and the Student Economy, Digital Enterprises can be either SOEs, NSEs, POEs, or PDEs. It all depends on exactly what the Digital Enterprise is doing in the Digital Economy to contribute Arbeit and Geld. It also depends on whether it is responsible for maintaining the digital infrastructure and whether it is responsible for facilitating the creation of Arbeit and Geld in the Digital Economy. Those two considerations automatically designate it as SOEs. As long as it is not responsible for digital infrastructure or facilitating Arbeit and Geld creation in the Digital Economy, most Digital Enterprises tend to be SOEs, POEs, and PDEs.

Between the Council Democratic process and the Social Ranking System, the Economic Organizations of the VCS Economy are indicative of the fact that there are distinct approaches to Property Rights and Economic Planning at play. The Work-Standard relies on its own conceptions, which will be discussed in later Entries. Since the VCS Economy is always split between the State and the Totality, this gives rise to the concepts of “Economic Socialization (ES)” and “Economic Foreignization (EF).” The former is the extent to which the VCS Economy is controlled by State, Social, Student and Digital Enterprises, the latter being the extent to which Foreign Enterprises are involved in the VCS Economy.

Economic Governance Types and Economic Planning Models

There are only four types of Economic Governance under the Work-Standard, two of which belong to Neoliberalism: “Market Economy,” “Mixed Economy,” “Planned Economy,” and “Command Economy.” As established in the preceding Entry, only the Planned Economy and Command Economy are compatible with the Work-Standard. Neoliberalism has the “Market/Mixed Economy” and the VCS Economy has the “Planned/Command Economy.” For the purposes of this Entry and the Treatise overall, the VCS Economy is capable of configured to be Artistic or Scientific Socialist, Corporatist, Syndicalist and State Capitalist. Artistic and Scientific Socialist VCS Economies tend to be Command Economies or high-tier Planned Economies. Corporatist and Syndicalist VCS Economies comprise the mid-tier Planned Economies, with State Capitalist VCS Economies being mid-tier or low-tier Planned Economies. We deduce the distinguishing traits of VCS Economies as Planned/Command Economies based on the configurations of those five.

Planned/Command Economies

“*Command Economies*” feature hierarchical, well-delineated, well-organized hierarchical Social Ranking Systems where all Economic Organizations are governed by the Economic Chambers as part of a functioning Council Democracy. Most Enterprises within the VCS Economy are split between State Enterprises and Social Enterprises, where the Council State wields the Intents of Command and Obedience at the behest of a Federalist or Unitary nation. Some Enterprises are directly overseen by the Council States, some by Regional and Municipal governments, and others by various elements of the Totality. A Council State relies on a central plan whose interpretation is defined by the Central Planners and whose execution is carried out by the Professions and Enterprises that comprise the Industries of the VCS Economy’s Economic Sectors. Special institutions will also be present to determine Wages and Prices as well as facilitate the investments of Arbeit and Geld, both of which require the Totality’s political participation.

“*Planned Economies*” are less hierarchical and more likely to be employed in Federalist or Confederal nations relying on Council Democracy. While the Council State still wields the Intents of Command and Obedience and still maintains those special institutions, there is a larger proportion of Social Enterprises than State Enterprises. There may be a large non-government organization presiding over multiple labor unions. Instead of a single central plan, there are multiple central plans whose interpretations and executions are conducted by different Industries within each Economic Sector. In Corporatism, Syndicalism and State Capitalism, the configurations of the VCS Economy may be altered whilst remaining under the Work-Standard.

In Corporatist VCS Economies, economic life is maintained by the “Corporate State” acting as an intermediary between “Organized Labor” and the “Business Community.” The powers of Organized Labor and Business Community are checked by the Corporate State, just as the powers of the Corporate State are supposed to be balanced by Organized Labor and the Business Community. The Self is encouraged to collaborate with the Corporate State to resolve the differences between Organized Labor and the Business Community in the pursuit of Solidarity, ensuring no one branch of the Corporatist VCS Economy overpowers the other two branches.

In Syndicalist VCS Economies, the Enterprises of the “Syndicalist State” are all Syndicates owned, controlled and operated by labor unions. Since political parties, people’s communities,

religious congregations and even university students are equally capable of starting labor unions, it becomes inevitable to envisage entire Industries to be controlled by different groups. A Syndicalist State presides over the VCS Economy with “Trade Federations” in charge of each Economic Sector. Every Trade Federation is comprised of various Syndicates whose Delegates were selected from Delegates chosen by the personnel of each Enterprise. The Syndicates in particular are what makes a Syndicalist VCS Economy best-suited for Confederal nations as opposed to Federalist or Unitary nations.

In State Capitalist VCS Economies, each Economic Sector is dominated by a small number of very large Enterprises in charge of their respective Industries. The “Commercial State” has the Enterprise of its nation’s most strategically vital Industries as State Enterprises. All Social Enterprises operate as Cartels and Associations beholden to the Council Democratic process. The same special institutions that can be found in Corporatist and Socialist VCS Economies are also present because the Commercial State wields the Intents of Command and Obedience. But because all labor unions operate under the oversight of these Cartels and Associations, all Cartels and Associations must work directly with labor unions through Council Democratic process to determine the Wages and Prices of the Totality.

Market/Mixed Economies

Granted, not all State Capitalist, Syndicalist and Corporatist economies are guaranteed to be Planned Economies. Some can become “Mixed Economies” if they are not backed by the Work-Standard and there is enough Economic Liberalization from Neoliberalism. A Syndicalist economy may not be stable enough to ensure that it will not immediately or gradually downgrade itself into a Mixed Economy. A Corporatist economy may supplant Organized Labor with a Fractional-Reserve Banking System of privatized commercial banks and Financial Markets.

Certain Planned Economies, such as the “Chinese Socialist Market Economy” or the “Vietnamese Doi Moi Economy,” are considered low-tier for having been the products of Economic Liberalization in the late 20th century. What keeps them from being Mixed Economies is due to the fact that their practical applications resulted in the creations of two economies within the actual national economy. One economy consists of State and Social Enterprises under the Intents of Command and Obedience, whereas the other economy is comprised of Foreign and Private Enterprises under the Incentives of Supply and Demand.

It is because of those considerations that most “Mixed Economies” tend to be Parliamentary Democracies where the Parliament has strategic economic activities like crude oil and petroleum, rare minerals, armaments, transportation, healthcare or power plants as “Public Utilities.” The rest of its economy is dominated by Private Enterprises and Foreign Enterprises that compete for the greatest Quantity of Kapital with the least Quantity of Schuld in a Market. The Market, instead of those special institutions, decides the Wages and Prices without the Totality’s input. Private Enterprises and Foreign Enterprises constitute the “Private Sector,” coexisting with the “Public Sector” that is in charge of providing all “Public Utilities.”

“Market Economies,” despite being run by Parliamentary Democracies and being similar to Mixed Economies, are distinguished by giving greater emphasis to the Private Sector in charge of the Market. Instead of a well-balanced delineation between the Public and Private Sectors, the Parliament will employ “Public-Private Partnerships (P3s)” and “Corporate Trusts” to oversee the provision of Public Utilities. P3s and Corporate Trusts in Market Economies are devised in circumstances where neither Privatization nor Nationalization is practical. Since the Private Sector is motivated by the greatest Quantity of Kapital for the Quantity of Schuld, the Public Sector relies

on the issuances of government contractors, non-profit organizations, philanthropies and charities to support its everyday operations.

Economic Governance Reference Chart

Market Economy	Mixed Economy	Planned Economy	Command Economy
Nordic Model (Scandinavian Social-Democracy)	Showa State Capitalism	Leninist New Economic Policy (NEP)	Mission-Type Economic Planning (MTEP)
Gaullist Dirigisme	Kuomintang Party-State Capitalism	Kosygin Reforms (Worker's Self-Management)	Germanic-Type Economic Planning (GTEP)
Rhine Model (Social Market Economy)	Singaporean State Capitalism	Titoism & Kadarism (Market Socialism)	Prussian-Type Economic Planning (PTEP)
Keynesian Market	Developmentalism	Fascist Corporatism	Automated-Type Economic Planning (ATEP)
Regulated Market	Tripartitism (Social Corporatism)	Chinese Birdcage & Doi Moi (Socialist Market Economy)	Soviet-Type Economic Planning (STEP)
Free Market	Red Toryism, Fabianism, & Distributism	Falangist Syndicalism	Korean-Type Economic Planning (KTEP)

A Basic Economic Governance Reference Chart

Brief History of Economic Planning

It is notable that one of the peculiar features exhibited by the Work-Standard is its own distinct conception of economic planning for all VCS Mixed/Command Economies. This is interesting because most Planned/Command Economies in the previous century have been geared toward two specific variants: the crude, rudimentary **STEP (Soviet-Type Economic Planning)** of the Soviet Union, Eastern Bloc and Maoist China; and the slightly more refined **PTEP (Prussian-Type Economic Planning)** devised by the Prussians of the German Reich.

PTEP in particular was developed in response to the harsh wartime conditions of World War I. A little-known attempt was made to continue PTEP for peacetime purposes after 1918 but was never realized due to the Liberal Capitalist establishment of the Weimar Republic. This of

course was the largely obscure economic proposals outlined by Wichard von Moellendorff and his attempts to preserve PTEP in the interwar chaos of 1918-1919. While Oswald Spengler's *Preußentum und Sozialismus* (*Prussianism and Socialism*) remains a timeless advocacy for the coalescence between the Prussian instinct and Socialism, von Moellendorff's proposals had been a flawed attempt to realize Prussian Socialism in actual practice.



Photograph of Wichard von Moellendorff

The purpose of PTEP, had it been implemented, would have entailed the creation of a new legal jurisprudence and political governance designed to realize the transitional phase to a Command Economy. There would be attempts made at trying to realize the kind of Council Democracy outlined by Freiherr vom Stein as well as built upon the ideas articulated by Johann Gottlieb Fichte and attempted by Otto von Bismarck. What arguably prevented von Moellendorff's proposals for PTEP from being realized, besides an apparent unwillingness to accept the slightest constructive criticism from close political allies, are flaws which can also be found in STEP. In essence, the lack of reliable financial and monetary models to replace existing Liberal Capitalist ones, an absence of institutions for resolving economic disputes among workers and among industries, and an overreliance on technology to overcome the shortcomings of human nature. All of these factors are indicative as to why the proposals found little support from sympathetic German businessmen, industrialists and magnates.

As is commonly known, STEP relies on the implementation and coordination of a Command Economy on a ***Five-Year Plan***. Each Five-Year Plan will usually outline the intended aims of the central government, including production quotas, targets, resource allocations, and so forth. The goal is to achieve or exceed the objectives within the given timeframe. Historically, most tend to be conducted and completed in four years. It can be argued that the "Four-Year Plan" of the Hitlerists to remobilize the German armed forces between 1936 and 1940 was a flawed derivative of STEP, devised as a strategic military plan to be completed within four years.

But whereas PTEP had fewer flaws (for what it was worth), STEP was cruder and far more rudimentary in both its applications and its flaws. STEP, in addition to the flaws it shared with PTEP, placed excessive emphasis on the decision-making of central planners to the detriment of the energy, talent, ambition, resolve, and initiative of the workers themselves. The static, inelastic implementation of Five-Year Plans hinders any Command Economy from reacting quickly to changes in economic conditions, as evidenced by the German invasion of the Soviet Union in 1941. Human errors related to discerning the prioritization of certain goods and services can also lead to shortages and even rationing in more extreme, dire circumstances.

Granted, this is not to suggest that there is nothing to learn from the strengths and weaknesses of STEP and PTEP. Both contain ideas which can be retained and others worthy of informing the specifications of the Work-Standard. Any preservation of the techniques from STEP and PTEP needs to be handled with care. The Work-Standard's conception of economic planning can be summarized as the following:

- The concept of executing a central economic plan, including its targets and quotas, can always be replaced by *an elastic Constitution of Intents and Obligations* and a *conveyable Legal Code of Duties and Rights*. There would be no need to have an excessive paper trail that would require massive bureaucracies as these are also the same legal documents governing the nation outside of economic and financial contexts.
- Economic plans themselves can be replaced by *equivalent financial instruments that are not LCFIs (Liberal Capitalist Financial Instruments) insofar as they do not rely on the dialectics of lending Credits and borrowing Debits (with or without Interest)*. They instead rely on the Work-Standard as Socialist Monetary Policy.
- Additionally, the use of Technology can be employed by the Work-Standard as part of a "*Mechanization Rate*" as a suitable replacement for an Interest Rate. Doing so would entail the Synchronicity (to use a term from Jungian Psychology) between the Figure of the Arbeiter and his technology, as advocated by Ernst Jünger's philosophical book, *Der Arbeiter (The Worker)*.
- The realization of such financial instruments would require the introduction of *special institutions designed as Socialistic alternatives to the need for financial markets*. These institutions would have the honor of resolving disputes in the VCS Economy and be responsible for the setting of Wages and Prices with the recommendations of the State and Social Enterprises. In fact, the Council State entrusts these institutions to act on its behalf.
- There will be distinct fiscal and monetary policymaking commensurate with a unique accounting system exclusive to the Work-Standard. The policymaking and accounting system are specifically designed to accommodate the interplay between Arbeit and Geld.

How the Economy Creates Arbeit

All VCS Economies under the Work-Standard is split into five “Economic Sectors” comprised of different “Industries” with various “Enterprises” and “Professions.” These five Economic Sectors are called the “Natural Sector,” the “Manufacturing Sector,” the “Services Sector,” “Information Sector” and “Administrative Sector.” All of the aforementioned Economic Organizations, the SAEs, SOEs, NSEs, POEs, and PDEs, can be found in each Economic Sector. As State Enterprises and Social Enterprises, they are denoted by their Social Rank, which is subject to change while competing within their respective Industries to create Arbeit and Geld in the VCS Economy’s “Tournament.” Instead of a Markets, the VCS Economy employs a Tournament to facilitate the transferring of Arbeit and Geld in return for goods and services between Enterprises and the Totality and State.

The *Natural Sector* refers to the cultivation and harvesting of both renewable and non-renewable natural resources and their subsequent refinement into raw materials, what the Work-Standard refers to as “Equipmentalities.” Agriculture, forestry, fishing, mining and so forth are all examples of economic activities within the Natural Sector.

The *Manufacturing Sector* acquires Equipmentalities from the Natural Sector and converts them into components, semi-finished products and finished goods. Construction, electronics, chemicals, engineering, glassmaking, fabrics, water purification and waste treatment are the dominion of the Manufacturing Sector.

Everything that is made by the *Manufacturing Sector* is transported, distributed, and sold by the *Services Sector*. The storage, maintenance and repair of finished goods can also be found here. Besides retail and hospitality, the Services Sector is also responsible for entertainment, gaming, finance, and various personal services such as barbershops and vehicle repair shops.

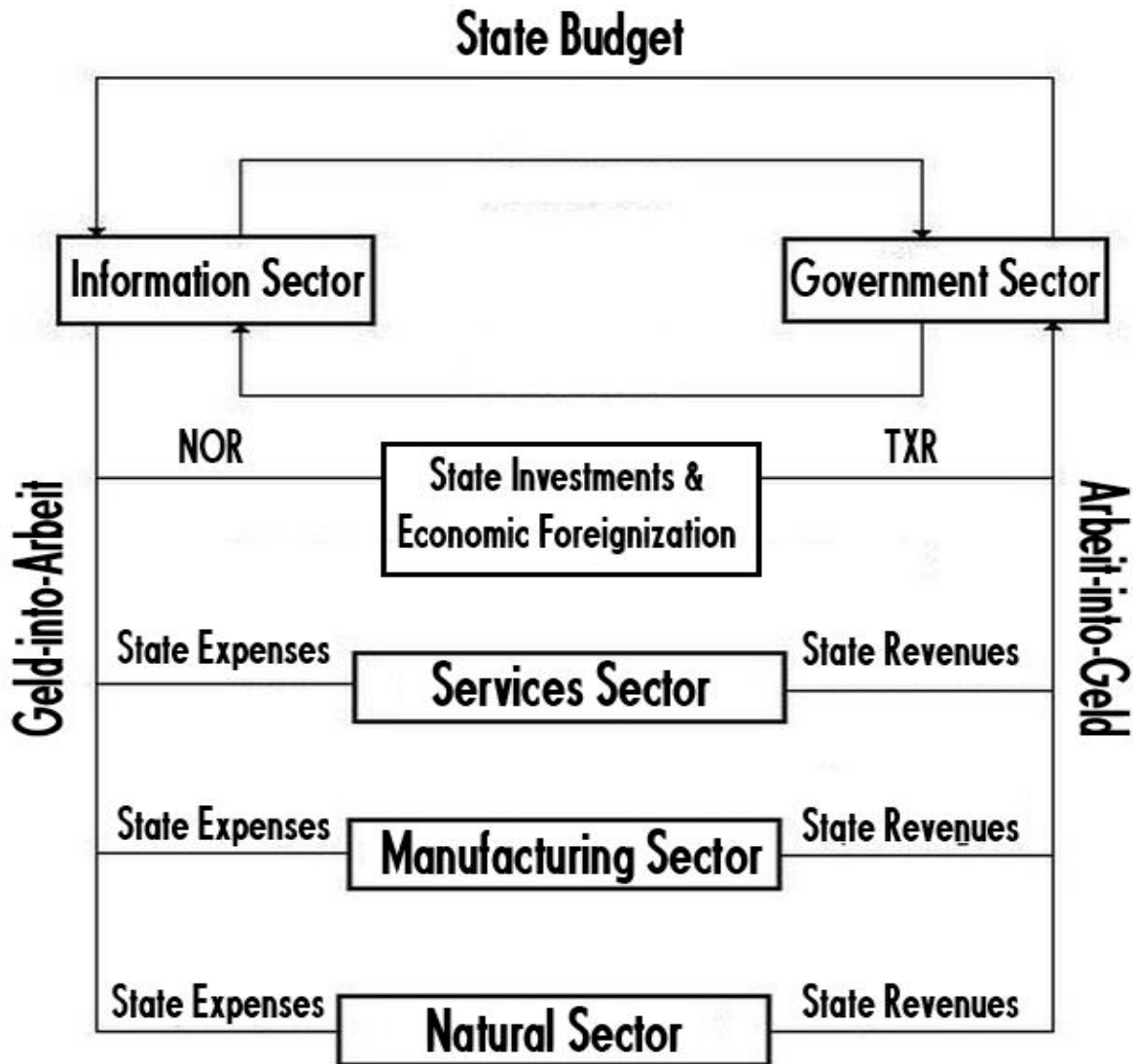
The Digital Economy, a concept introduced back Section One, is an Economic Sector called the *Information Sector*. All Digital Enterprises responsible for the facilitation, maintenance, and economic activities of the National Intranet, which houses the Digital Economy, can be found here. This includes the Digital Enterprises tasked with running and operating the digital infrastructure at the behest of the Council State.

The Administrative Sector pertains to the various economic activities where the creations of Arbeit and Geld are done by the Council State, Regional and Municipal governments. Mass transportation, healthcare, education and housing are the obvious examples, but they are not the only ones. The everyday functions of government bureaucracies contribute Arbeit and Geld. It is likewise true for “Military-Industrial Complex,” “State Media” publications, and civilian scientific research and development projects.

In all five Economic Sectors, the workforce is exerting “Life-Energy” to contribute Arbeit within a State of Total Mobilization. *Life-Energy* is defined by the Work-Standard as the naturally-occurring power that flows from every Self within their everyday economic and financial activities. By engaging in economic activities, everyone exerts Life-Energy to yield “Actual Arbeit,” which is then to be contributed to the “Life-Energy Reserve,” where the Central Bank converts it into “Actual Geld.” The precise amount of Life-Energy devoted to the creation of Arbeit across the various Economic Sector affects the Quality of Arbeit and in turn the Quality of Geld.

The Vocational Civil Service (VCS) Economy contains countless sources of Arbeit from every conceivable economic activity in the nation. Everyone who is employed in a Vocation in the VCS Economy, the Council State and all other institutions are capable of performing the process of turning Life-Energy into Arbeit. Through greater Economic Socialization (ES), the entire

Professions and Enterprises are able to work together with other Professions and Enterprises in their Industry or with other Industries from different Economic Sectors to rack large returns of Arbeit. The large sums of Arbeit that have been created will yield an even larger sum of Geld.



Author's Depiction of the VCS Economy Model

The effects of Economic Socialization are considered as a common Force Multiplier (FM) that stems from the VCS Economy relying on Council Democracy rather than Parliamentary Democracy. Since everyone has both political and economic participation in the affairs of the State, Economic Socialization is capable of allowing various Professions to achieve achieving greater *Work-Productivity* (WP) whilst minimizing their overall *Work-Intensity* (WI) as the political process encourages the movement of information. The Council State can amplify the effects of allowing the flow of information to spread faster by means of three types of media that will be addressed in a later Entry: “State Media,” “Social Media,” and “Student Media.”

How Arbeit is Converted into Geld

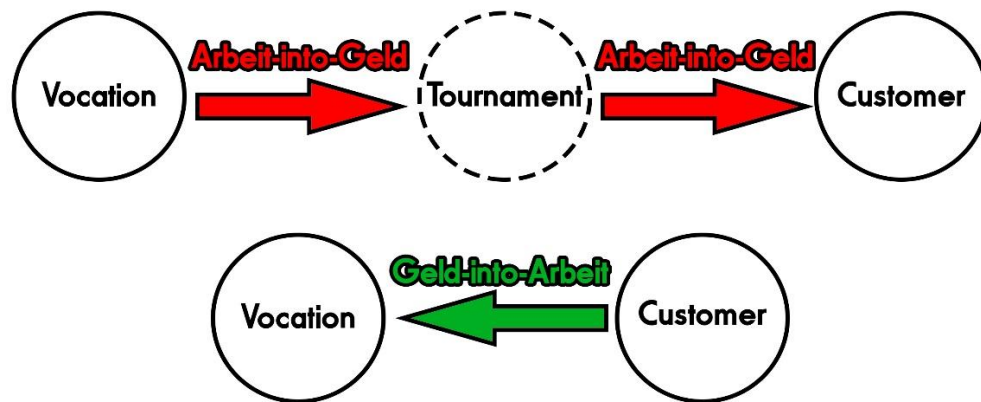
The Life-Energization Reciprocity (LER) Process was at play in the preceding Entry and is also at play here as well. It provides the basis for the conversions of Arbeit and Geld. Recall earlier that the LER Process is derived from the Work-Standard's Reciprocal Theory of Value (RTV) and Work Theory of Money (WTM). RTV provides the basis to identify and determine the Value of a given source of Arbeit. This Arbeit emerges from the creation of goods and the rendering of services. WTM is what allows anyone to provide a Price for those same goods and services in terms of Geld. With RTV, we can deduce that a given Enterprise in the VCS Economy has two sources of Actual Arbeit and one source of Actual Geld:

1. Completed creation of a Product or rendering of a Service
2. Successfully Selling it to the Tournament
3. The Transactional Sales themselves

The two sources of Actual Arbeit yield "*Arbeit-into-Geld*," while the sole source of Actual Geld is "*Geld-into-Arbeit*." The first source is related to the LER Process, where the creation of a product or rendering of service required someone devoting Life-Energy to create Actual Arbeit that was later converted into Actual Geld at the Life-Energy Reserve. The second source of Arbeit stems from arranging a transactional sale in the Tournament that later resulted in a transfer of Actual Geld from the buyer to the seller. This single source of Actual Geld was Geld-into-Arbeit occurred because the Enterprise that received the Actual Geld from the transactional sale could spend that Actual Geld to repeat the LER Process. Given budgeting and taxation policies exclusive to the Work-Standard, a single Enterprise could immediately restart the LER Process without having to receive any excessive interference from Central Planners or their subordinates, the Economic Planners and their retinue of Accountants.

WTM builds upon the aforementioned conclusions from RTV by enabling everyone involved in the production process to distinguish between different goods and services based on their Value of Arbeit and the Price of Geld. We can then discern that the goods or services provided by one Enterprise are more valuable and expensive than another Enterprise from the same Industry because the Quality of Arbeit for its production process was superior to that other Enterprise. Conversely, we can also argue that because the Quality of Arbeit for the other Enterprise was inferior to the first one, the Price of its goods or services had to be lowered as a consequence.

1. Completed Creating the Finished Product → Actual Arbeit → Actual Geld (*Arbeit-into-Geld*)
2. Successfully Selling it to the Tournament → Actual Arbeit → Actual Geld (*Arbeit-into-Geld*)
3. The Transactional Sales themselves → Actual Geld (*Geld-into-Arbeit*)



Author's Diagram depicting how WTM defines the parameters of Arbeit and Geld creation

The Central Bank's Life-Energy Reserve

Before the process of converting Arbeit into Geld can begin, the Central Bank will note the overall "Quality of Arbeit (QW)" of the Vocational Civil Service (VCS) Economy. The QW is the total Value of the Arbeit from all Vocations. It is affected by the overall "Work-Intensity (WI)" and "Work-Productivity (WP)" as well as all known "Force Multipliers (FMs)" at any given Zeit. Shorter intervals of Zeit with "High WI, High WP" or "Low WI, High WP" will decrease the Quality of Arbeit by a rising Attrition Rate. Longer intervals of Zeit with "High WI, Low WP" or "Low WI, Low WP" are more likely to increase Quality of Arbeit through the Inaction Rate.

The Central Bank gauges the nation-state's Quality of Arbeit through the "Total Economic Potential" (TEP), the Work-Standard's alternative to the Gross Domestic Product. TEP is the final sum of all economic and financial activities by the nation-state before its Attrition/Inaction Rate was factored. For finding the TEP after Attrition/Inaction, the Central Bank uses the "Real Total Economic Potential" (RTEP). RTEP affects how much Geld is allowed to be created by the Central Bank and is influenced by the Quality of Arbeit. It is tenable to argue that RTEP represents the Quality of Arbeit applicable to all Vocations within the VCS Economy.

Given the Quality of Arbeit and the Real Total Economic Potential in relation to the Attrition/Inaction Rate, the Central Bank can now determine the "Quality of Geld (QM)." The QM refers to the Price for any conversions of Arbeit into Geld under the Work-Standard. It affects how much Geld can be printed by the Central Bank based on a specified amount of Arbeit. A nation-state having a "High QW" can be correlated to them having a "Low QM." This means that they are able to command a superior Quality of Arbeit that enables them to create more Geld with fewer amounts of Arbeit. Conversely, a "Low QW" can be correlated to them having a "High QM." Under those conditions, the nation-state has an inferior Quality of Arbeit that forces them to spend more Arbeit for less amounts of Geld.

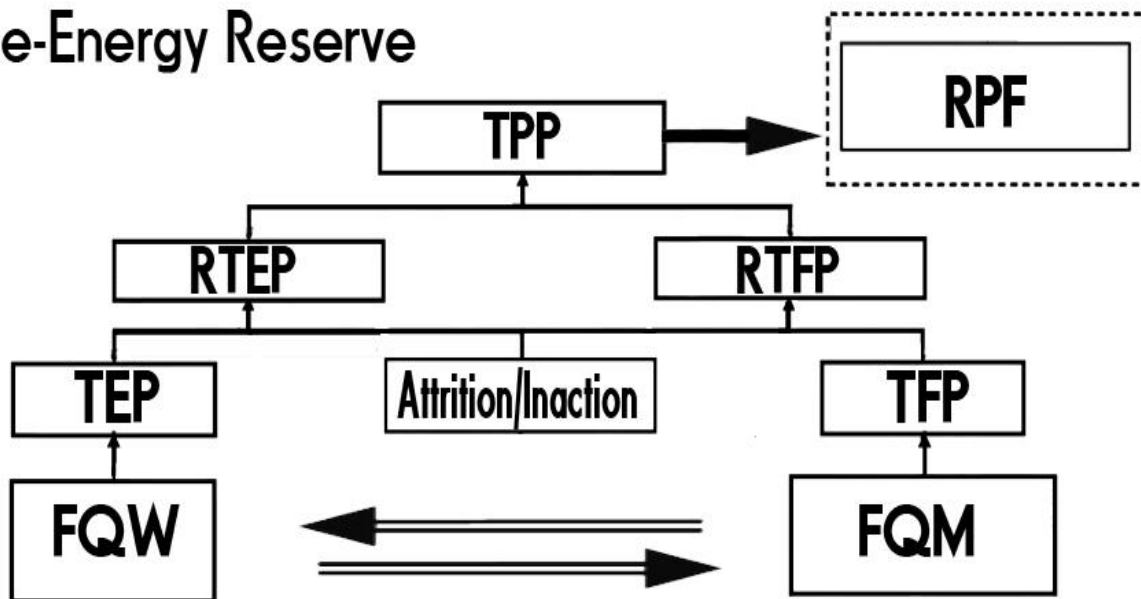
It is because of the need to factor how QW and RTEP affect the QM that the Central Bank must find the "Total Financial Potential (TFP)." A TFP is the sum of all Geld that has already been converted from Arbeit before including the Attrition/Inaction Rate. If the Central Bank needs to know the TFP with the Attrition/Inaction Rate, they will use the "Real Total Financial Potential (RTFP)." RTFP is the final sum of all Geld in circulation and is limited by the RTEP. Remember that the Attrition/Inaction Rate is not affected by the RTFP but by the RTEP because of the nature

of the Work-Standard. If the Central Bank needs to print more Geld, the RTEP will need to be gradually increased to facilitate it.

What happens if the Central Bank decides to print more Geld to increase the RTFP without any expected increases in RTEP? That Geld is counted as Schuld and is thus added to the Sovereign Schuld of the nation-state as “unpaid debts.” This is done to discourage excessive creations of Geld and deter the existence of Schuld-backed Kapital under the Work-Standard. As a Constitutional Obligation with a corresponding Constitutional Intent, any Sovereign Schuld must be paid back without any Interest whatsoever under the Work-Standard.

For the sake of review, six variables are accounted for in the conversion of Arbeit into Geld. It is understandable for someone to ask where these variables fit within the bigger picture of the Work-Standard in relation to the Financial Regime. The following table demonstrates where the variables coexist with the Attrition/Inaction Rate, the TPP (Total Productive Potential) and the RPF (Requisitionary Productive Forces):

Life-Energy Reserve



The QW, TEP and RTEP correspond with the economic; the QM, TFP, and RTFP are related to the Financial. What happens in the VCS Economy must affect what is referred to elsewhere as the “Reciprocal-Reserve Banking System” and what affects it must in turn affect the VCS Economy. That is where the Work-Standard prevails in contrast to the Liberal Capitalist conceptions of Kapital. With Kapital, it is possible to argue that the Financial Markets are an economy onto themselves, independent of what the national economy is doing at any given Zeit.

Simply put, the Reciprocal-Reserve Banking System is the Financial Regime of the Council State as a triumvirate of the Head of State, the State Council, and the Central Bank. The Central Bank in particular can readjust the Quality of Arbeit through a “Mechanization Rate (MR).” The Mechanization Rate is the Work-Standard’s alternative to the Interest Rate by focusing more on how much Arbeit is being created by actual Vocations and how much has been allowed to be created by automated technologies. The MR is capable of increasing the RTEP and improve the QW without causing serious increases in Attrition by conserving the Life-Energy of Vocations.

It may seem counterintuitive, but the MR has its purposes and should never be seen as an excuse to replace Vocations with machines.

Supporting the endeavors of the Central Bank are various “State Banks” and “National-Socialized Banks (NSBs).” The former facilitates the transmission of Arbeit and Geld between the Economic Planners of a given Enterprise and the Central Bank’s Life-Energy Reserve, in addition to maintaining the personal accounts of the Totality and those of the Enterprises. The NSBs are conventional banks capable of providing special Interest-free loans backed by the Work-Standard.

Aside from those two types of banks are the “Kontore (Financial Offices)” and the “State Commissariats for Wages and Prices.” The Kontore are tasked with helping Professions, Enterprises and Central Planners facilitate economic planning. Through the issuances of distinct financial instruments under the Work-Standard, the role of Central Planners will change from one that dictates what is to be done to one where they are tasked with interpreting the central plan and how it is applicable to various economic plans designed to realize the central plan. The State Commissariats, as their implies, is given the role of determining the pricing of everyday goods and services in the VCS Economy’s Tournament and how much the Totality is expected to receive each week as their Paygrade.

How the Central Bank sets the Exchange Rates under the Work-Standard

In a currency system like the Work-Standard, it becomes inevitable to envisage Sociable Currencies pegged to it as relying on “Fixed Exchange Rates.” After the Death of Bretton Woods, Neoliberalism abandoned Fixed Exchanged Rates in favor of “Floating Exchange Rates.” This meant that Liberal Capitalist Currencies within International Trade were no longer backed by Gold but the Incentives of Supply and Demand. The Quantity of Kapital for one Currency now determines how valuable it is when compared against another Currency in terms of exchange rates. Under Neoliberalism, the Fractional-Reserve Banking System and the Financial Markets decide the Value of a Currency according to its Quantity of Kapital or in terms of how many units that a Central Bank has allowed to release into circulation. Although that is the most common way method of determining exchange rates, the other two methods involve intervening in the Financial Markets to influence the Quantity of Kapital and officially declaring the Value of a Currency through monetary policymaking.

The Work-Standard relies on the Intents of Command and Obedience for determining exchange rates, its application of Fixed Exchange Rates dependent on the Quality of Arbeit that supports the Sociable Currency. Generally speaking, having a higher Quality of Arbeit reflected in the TPP (Total Productive Potential) value will cause the Sociable Currency’s Value to appreciate. Exporting goods and services to other countries will be more expensive for the VCS Economy but importing goods and services will be cheaper. It is likewise true in the reverse: with a lower Quality of Arbeit, exporting goods and services will be cheaper for the VCS Economy but more expensive when importing them.

Of course, the Central Bank reserves the authority to decide how the Quality of Arbeit affects the exchange rates between the Sociable Currency and another Currency, Sociable or otherwise. The Central Bank could lower its Mechanization Rate, imploring the Totality to rely less on automated technologies. It could adjust the Inflow/Outflow Convertibility Rate by altering how much Geld can be gained are being converted from Arbeit or vice versa. And it could devalue or revalue the Sociable Currency as needed. It could even start issues Foreign Exchange Certificates to minimize the amount of Actual Geld going to Foreigners.

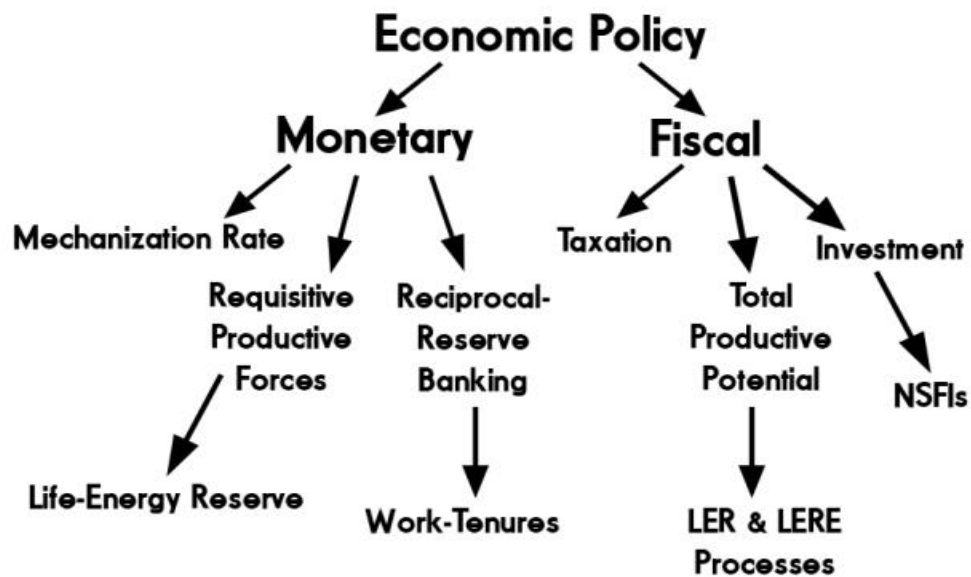
Determining the exchange rate of a Sociable Currency is not as difficult as one might imagine at first. The necessary tools for the Central Bank to set the exchange rate have already been established. What needs to be done is for the State and the Totality to ensure that the Value of their Sociable Currency actually reflects their Socialist Nation’s Quality of Arbeit, requiring the Central Bank to respect the interests of the State and Totality as part of the Financial Regime.

Whichever option the Central Bank decides to choose, the Totality and the State must support the exchange rate. The proposed exchange rate must further the interests of the nation and be acceptable to any nations that have decided to trade with the Socialist Nation relying on the Work-Standard. This particular rule becomes especially important in a Socialist World Order presided by the World State Organization (WSO).

How the State receives Revenue and allocates the Budget

The Vocational Civil Service (VCS) Economy does not rely on the conventional taxation and budgeting policies found in Liberal Capitalism. The Council State receives the Revenue for its Budget from its own activities and from the Totality. The Arbeit and Geld stored inside the Life-Energy Reserve will eventually be transferred to the Council State as State Revenues. After all State Expenses have been paid off, whatever is left over will form the State Budget.

One of the most important State Expenses of the Council State is a Constitutional Obligation to ensure that all State and Social Enterprises have enough Actual Geld to continue contributing Actual Arbeit to the Life-Energy Reserve. In the VCS Economy, Enterprises receive the Actual Geld to continue operations from the transactional sales of goods and services and from the Council State. In the former, an Enterprise has to receive Actual Geld from customers interested in purchasing goods and services from it. Any Actual Arbeit from an Enterprise's production process and transactional sale goes straight to the Life-Energy Reserve. To obtain the Actual Arbeit from the Arbeit-into-Geld side of the LER Process, an Enterprise must request funding from the Council State.



An Enterprise may be compelled to request State funding because it needs investment or would like to expand its capabilities of contributing Actual Arbeit. Chances are, the Actual Geld that it received from transactional sales may not necessarily be enough, and an Enterprise is looking for potential investors. The Council State is guaranteed to be an Enterprise's first investor or before the Reciprocal-Reserve Banking System, the Totality and Foreigners. But instead of cutting taxes that do not exist under the Work-Standard, the Council State simply reallocates Actual Geld from its own State Budget, transferring it to that Enterprise.

When the Council State does find that it is necessary to reallocate Actual Geld, it is doing so on the basis that the Arbeit-into-Geld of the Enterprise in question will benefit both itself and the Totality over the long-term. If the Enterprise's endeavors are successful, whatever additional sources of Arbeit that got contributed to the Life-Energy Reserve will later be added to the State

Budget as a budgetary surplus for the Council State. That is, assuming the Council State is not already operating on a budgetary deficit.

Aside from allocating State funding, the Council State can also impose taxes designed to support the economic activities of the Enterprise and its affiliated Industry. The Totality pays the tax and transfers Actual Geld to both that Enterprise and its Industry. Alternatively, the Council State could turn to the Reciprocal-Reserve Banking System to assist that Enterprise. The Reciprocal-Reserve Banking System could offer special financial instruments backed by the Work-Standard, “National-Socialized Financial Instruments (NSFIs),” and Interest-free loans from National-Socialized Banks (NSBs), the “Work-Tenure.” Alternatively, the Central Bank may be convinced to make alterations to its Mechanization Rate to level the playing field.

One of the advantages of the Work-Standard is that the Council State and its subordinate Regional and Municipal governments are encouraged to pursue balanced budgets without ever resorting to the absurdities of Neoliberalism. The Council State is capable of raising its own State Revenues and thus pay for its own State Expenses. Bureaucrats, office clerks, secretaries, teachers and doctors, researchers and analysts, judges and jurists, emergency personnel, security forces and armed forces, and so forth are all equally capable of contributing Actual Arbeit to the Life-Energy Reserve. They contribute Arbeit no differently than a restaurant waitress, factory worker, dairy farmer or a miner would through their own Professions. The real difference has always been the Quality of Arbeit that they will contribute to the Life-Energy Reserve and the Quality of Geld that comes from those subsequent conversions. It does not matter whether the Council State is big or small, so long as the Council State remains capable of achieving a high enough Quality of Arbeit.

But there is another important, yet mundane purpose for why the Council State must always provide a fixed sum of Actual Geld from its State Budget on a weekly basis. I am of course referring to the Paygrades that each Vocation is required to receive for its contributions of Arbeit and Geld to the Life-Energy Reserve. Another advantage that the Work-Standard offers is that it eliminates the need for Enterprises to provide wages or salaries to personnel because the Council State pays all personnel on the Enterprises’ behalf. Since the VCS Economy is fixated on the highest Quality of Arbeit for the least Quality of Geld, the priorities of Enterprises will shift away from the Neoliberal notion of the highest Quantity of Kapital for the least Quantity of Schuld. This in turn leaves the VCS Economy to focus more on its overall performance and less on how much Geld it gains from transactional sales because it too is self-sustaining just like the Council State.

How the State implements and enforces the Paygrade Scale

The Paygrade Scale of the Vocational Civil Service Economy is influenced by overall economic conditions. A Paygrade is affected by the Attrition Rate and the Total Economic Potential as the two primary metrics. Both will affect how much Geld each Paygrade receives on a weekly basis. Unlike Inflation, Attrition rises more slowly as a distinct characteristic of pegging a Currency to the Value of Arbeit. The Geld allotted to Paygrades do not come directly from the State Budget. Rather, they are counted as State Expenses that are paid for by the Revenues of the national economy. The only power in the Nation capable of implementing this is the Council State.

Each Paygrade is organized into several different pay brackets adjusted to years of service and number of dependents. Outside of those two factors, simply attaining a higher Rank or being in a profession for the sake of material gain is antithetical to the concept of Vocations and therefore does not exist under Socialism. A Vocation is meant to be a special calling that one can still envisage themselves doing over the course of the next ten, twenty or even thirty years. Liberal Capitalism never condoned the practice of Vocations, having abolished it completely during the industrialization of the Western world in the wake of the Enlightenment. The result has led to people pursuing “jobs” where they were unmotivated, unwilling, uninterested, unequipped, and unprepared for what was expected of them because they had nothing driving them except Kapital.

Fortunately for Socialism, the Work-Standard has the capability to discourage the pursuit of work for monetary gain alone. It does so by encouraging the need to pursue “Meaningful Work” from a Vocation that provides someone with a higher sense of purpose in Life beyond the mere act of “earning a living” in the sense of “Meaningless Work.” Only then can one be expected to rise up to the occasion and assume proper leadership roles and to be an example for others to follow. Only then can everyone be expected to work together toward the pursuit of commonly-shared goals that are spiritual, traditional, cultural, ontological, and social. That is the meaning of Economic Socialization (ES) in its everyday contexts within a given work-week.

When the time comes to start issuing Paygrade to every household at the end of every work week, the State relies on the “State Commissariats of Wages and Prices.” The State Commissariats, in addition to their secondary role in helping the State set the Prices of goods and services alongside the national economy, will oversee the issuance of Paygrades to each household among the municipalities of a given region. The Paygrades are issued by mail through the postal service or wired directly to the local branch of a nationalized bank. The former would have been the more practical approach in earlier times, especially since the latter requires the existence of a national Intranet to facilitate the digital transfer of Geld from the State Commissariat to a bank account. The recipient will receive their Paygrade either way.

Assuming if the recipient does not receive their Paygrade, the State Commissariat must maintain a special department to oversee the filing of those claims. This is a possibility that must be taken into consideration, regardless of the method that the State Commissariat had chosen to deliver their Paygrade. The State Commissariat should also wield the power to see to it that such claims are compensated by the State, the State eventually receiving the claims processed by the State Commissariat and paying the amount owed. Defrauding the State of Geld through the abuse and misuse of filing claims will always be a criminal offense.

Any increase or decrease in the amount of Geld intended for Paygrades is a matter of the State that must be overseen by the State Commissariats. The State Commissariats, tracking the

Attrition Rate and the Total Economic Potential of the national economy, are constitutionally obligated to adjust the amounts intended for each pay bracket. But before the State Commissariats can make any alterations, the power to control the rates at which any pay bracket receives more or less rests squarely on the State Council and its subordinate regional councils. The State Council reserves the final authority regarding the adjustments of Paygrades, further reinforcing the fact that the issuance of Paygrades is as much a political issue as it can be an economic one from the outset.

This is where Council Democracy is required because the State Commissariats are to be politically governed at the regional level, followed by the national level. If a large number of people in the given jurisdiction of a particular region are convinced that their Paygrades should be increased and, provided there is a justifiable Intent behind this decision, they may be entitled to contact their delegates and have the matter addressed at their regional councils. The State Commissariat for their region will then request the State Council to authorize the readjustment of the Paygrades for its regional jurisdiction, allowing the State to make the necessary adjustments. This of course only applies for one or more pay brackets in that regional jurisdiction, particularly among metropolitan areas with populations in the millions of people. In instances where the Socialist Nation as a Totality is requesting changes to the Paygrade Scale, that decision is for the State Council.

The State Council may decide on readjusting the Geld allotted to the Paygrade Scale and its pay brackets. Everyone is entitled to receive an increase in their weekly Paygrades. The State Council will spend an allotted amount of Zeit discussing the matter before eventually voting on whether to approve or disapprove the decision. If a majority agrees to the decision to increase the Paygrades of all pay brackets, then the State Council will have the Head of State sign the changes into law and have the State Commissariats of the nation executing it. Note that the changes will be put into effect in the work week *after* the Head of State signs the decision into law.

A similar procedure does occur for the inverse: the decision to lower the amount of Geld allotted to Paygrades. Again, the State Commissariats are the ones to execute the decision while the regional councils and the State Council itself are the ones that reserve the final authority to approve or disapprove those changes. Even in this case, the decision still needs to be signed into law by the Head of State and then put into effect by the following work-week.

Why Vocations are the only Acceptable Source of Arbeit

All Arbeit contributed to the Life-Energy Reserve must originate from one of two sources: either Vocations synchronized with the VCS Economy or from Real Trade Agreements. Any Arbeit that does not come from either or both will never be registered by the Central Bank. The Intent behind the arrangement has multiple justifications insofar as they can range from deterring speculative practices to finding a barometer for the extent of black market activities. However, it should be noted that those are not the only ones, but they can be seen as being the most common. Another less common purpose includes ensuring political-economic participation of all Nationals and Foreigners working on behalf of all nations involved under a Real Trade Agreement. This one in particular is hardly taken into consideration under Liberal Capitalism due to the peculiar structure of Parliamentary Democracy and the ideological preference for employers or employees to dictate the wages, up to and including acts of Strikes and Lockouts.

Speculation in Liberal Capitalist financial parlance refers to the act of purchasing something deemed ‘valuable’ and expecting more Kapital from it on a later date. The more expensive the Price of something becomes in the wake of the purchase, the more Kapital can be expected when the time comes to sell it. The practice involves exploiting short-term fluctuations in the Price of something as opposed to the Value inherent within it. Speculation can occur in anything tradable in the Financial Markets, but the most common examples have been real estate, gold and silver, fine art, derivatives, and even foreign currencies. The whole basis is influenced by the Incentives of Supply and Demand.

In case one is unaware, Speculation does have the potential to cause Economic Bubbles and distortions of the true Value due to the Price fluctuations. A “Speculative Bubble” occurs whenever something is overpriced and does not reflect its true Value. And like most Economic Bubbles, Speculative Bubbles assume the form of a euphoric high and a dysphoric low comparable to the use of narcotics. While it is true that Speculation can help Financial Markets adjust Prices based on their Scarcity, there will be possibilities where speculators will distort the true Values by confusing them with their Prices. While this phenomenon is a rare occurrence that can be ‘corrected’ by the Financial Markets, one of the problems associated with Free Trade Agreements and Globalization in particular concerns the sheer ease of importing cheap labor.

The overreliance on cheap labor by Liberal Capitalist has fueled the fears of demographic decline in relation to mass immigration. Nationalistic hostility toward FTAs occurs in appeals against mass immigration and the subsequent displacement of the working class, the advocacy of Protectionist policies and the promotion of domestic production. Such Nationalistic tendencies are favorable to Socialism, especially if the Nationalists themselves are capable of demonstrating a willingness to condone Socialism as being far more beneficial to their own nation than Liberal Capitalism. Another problem introduced by FTAs has been the proliferation of human trafficking and forced labor in Western countries, where people are forced to work against their will for very small amounts of Kapital. Those practices are despicable to both Socialists and Nationalists and that can be a point of coalescence for the Federalist Worldview. However, any discussion on immigration and emigration in relation to the Work-Standard is beyond the focus of this Entry.

It must be repeated until it becomes internalized that there is *nothing* Socialistic about Labor Strikes and Lockouts. There is, however, something very Capitalistic about them and the reasoning behind it will no doubt be controversial but nevertheless understandable from even the standpoint of Marxism-Leninism. Agitating for higher wages and fewer hours in work-week is impractical insofar as such disruptive behaviors do not realize Socialism within the nation-state.

Vladimir Lenin understood this, and it became the focus of his *What is to be Done?* treatise. Even Oswald Spengler acknowledged it in criticizing the Capitalistic motivations behind them in *Prussianism and Socialism*.

The reasoning of both men can be summarized as the following. The idea that a multitude of labor unions are ‘competing’ against each other and their employers for the most Kapital makes a complete mockery of Socialism. It essentially repeats the same imagery of speculators at a Financial Market ‘competing’ against each other and the Financial Markets themselves for the most Kapital, which in turn is a perversion of true competition in the economic sense. In fact, the former is influenced by the latter just as the latter is influenced by the former, creating a sort of negative feedback loop. Some labor unions will have more Kapital for themselves before the next Lockout by their employers just as some speculators will have more Kapital for themselves before the next Economic Bubble. The problem here is not a quantitative issue but a *qualitative* one.

In essence, both cases pertain to the issue of two things, “Labor” and “Currency,” being treated as mere Commodities by Kapital. The labor unions agitated for higher wages and fewer work hours on the basis of their Labor. The speculators agitated for higher Prices and fewer risks on the basis of their Currency. No Incentive can explain this pattern of behavior as effectively as an Intent will. On a conscious level, the labor unions were Striking and the speculators did their Shorting on the basis that the Prices of two specific Commodities do not reflect their true Values and are trying to correct them. The employers and the Financial Markets prefer opposing the demands, with the former either causing a Lockout or the latter causing a Bubble that can result in more problems for the rest of the nation. But on a subconscious level, however, this is the Liberal Capitalist definition of what passes as ‘competition’ and Spengler described this behavior best in several specific passages from *Prussianism and Socialism*:

The same style is still apparent today in every English trade company and every American trust. Their aim is not to work steadily to raise the entire nation's standard of living, it is rather to produce private fortunes by the use of private capital, to overcome private competition, and to exploit the public through the use of advertising, price wars, artificial stimulation of the consumer, and strict control of the ratio of supply and demand.

[...]

Likewise characteristic of the Englishman is his overestimation of the importance of capital sums for economic health. The materialist finds it impossible to understand that the English concept of capital is psychologically, and therefore practically (the practical life is, after all, an expression of psychic conditions) different from the French system of private means and the Prussian concept of administrative funds. The English have never been good at psychology. They have always considered their own ideas as logically binding on “mankind.” In fact, all of modern political economics rests on the basic error of equating economic life everywhere in the world with an exclusively English interest in business, and the error is committed even by those who reject the theories of the Manchester School. Marxism, in the very act of negating this theory, has adopted its patterns quite completely. This explains the grotesque fiasco of all predictions concerning the outbreak of the World War; it was said that the collapse of world economy would follow within a few months.

[...]

Work was for [Karl Marx] a commodity, not an obligation. That is the core of his political economics. His ethics were the ethics of big business. Not that business is unethical; but

we can read between the lines his opinion that the laborer is a fool not to engage in it. And laborers have understood him. The battle for higher wages became a kind of investment speculation: the worker was now a merchant selling his product, work. The trick about Marx's famous "surplus value" thesis is that it was considered as spoils to be carried off by the successful merchant from the opponent's stores. It was not to be presented to him for nothing. Class egoism thus became a universal principle. The laborers not only wanted to do business, they wanted to corner the whole market. The true Marxist is hostile to the State, and for the very same reason as the Whig: it hinders him in the ruthless exercise of his private business interests. Marxism is the capitalism of the working class. Consider [Charles] Darwin, who was just as important to Marx as [Thomas Robert] Malthus and [Richard] Cobden. Business is conceived of throughout as a struggle for existence. In industry the employer engages in commerce with the commodity "money," while the worker does likewise with the commodity "work." Marx wished to deprive capital of the right to private profit, but the only thing he could think of as a substitute was the worker's right to private profit. That is unsocialistic, but it is typically English.

A recent trend has occurred lately among Liberal Capitalist regimes, especially the US, in the wake of the Coronavirus Pandemic in 2021: the occurrence of "labor shortages." This is not to suggest that there is literally not enough manpower available willing to work insofar as there is not enough Kapital to convince people to risk exposure to recently-evolved Coronavirus strains. The result has compelled employers to raise wages and salaries in order to 'incentivize' employment. At the same time, the unemployed may even be 'speculating' on these wage and salary increases to continue rising, even as Inflation continues to take its toll on Schuld-backed Fiat Currencies like the US Dollar. The behavior is very similar to the earlier example involving Strikes by labor unions and Shorting by speculators. Spengler himself even noted this in the following from *Prussianism and Socialism*:

The economic Darwinism of the Englishman, together with the Marxian two-class system, led to the adoption of the natural weapon to be used in the war between the real merchants and the merchandizing laborers: the strike. By means of the strike, the commodity "work" is withheld from the buyer. By means of the opponent's strike, the lockout, the commodity "money" is withheld from the buyer. A reserve army of workers secures the market for the buyers of money, while a reserve army of employers (labor shortage) does the same for the buyers of work. The strike is the most unsocialistic aspect of Marxism. It is the classical sign of its origins in a businessman's philosophy that Marx adhered to by instinct and habit.

Everything addressed here is indicative of the need for Vocations as stable and sustainable sources of Arbeit for the workforce. A steady source of Arbeit yields a steady source of Geld when the Values of Arbeit and Geld are both kept in governable levels. In the Work-Standard, the State's Financial Regime and the State Commissariats of Wages and Price command the financial and economic powers to decide on such matters. Council Democracy can and will facilitate that ability, something that cannot be achieved through Parliamentary Democracy.

Why Vocations need Geld to contribute Arbeit

Vocations, when attached to Professions and Enterprise, need Actual Geld to continue the LER Process and contribute more Actual Arbeit to the Life-Energy Reserve. While its parent Enterprise can provide that Actual Geld for them, which can be obtained from transactional sales of goods and services, that is just the secondary method of Geld-into-Arbeit. The primary method, however, involves the Council State allocating Actual Geld from its own State Budget toward the VCS Economy. Actual Geld is not just needed for paying the workforce of the Vocational Civil Service (VCS) Economy. It is also needed to pay for everything needed by the Vocations to create more Actual Arbeit as well as the production, upkeep and maintenance costs. The Council State will need to ensure that its State Expenses do not exceed its own State Revenues, otherwise it will begin to accumulate Sovereign Schuld as a consequence.

When to Allocate State Funding

There is a key difference between specific Professions requesting more Geld as part of their Legal Duties and those requesting more Geld as part of their Paygrade. The Intent of the former is to secure additional funding for specific economic activities. The Intent of the latter, however, arises from those who are convinced that they deserve a raise in their Paygrades, which does not require the Council State but instead the State Commissariats of Wages and Prices. The Council State cannot be expected to freely allocate any amount of Geld to anyone. There needs to be an Intent, a specific purpose behind the formal request because the State expects results from whoever is issuing that request. Failure to realize this runs the risk of the State condoning embezzlement and defrauding the Nation. Those practices are to be rejected as financial crimes. Anyone engaging in such practices will be punished to the fullest extent of the law.

For those who have legitimate Intents behind their requests, their requests will be processed and conducted on a case-by-case basis. Some cases are more likely to secure additional funding from Geld than others. A good example occurs within research and development projects. Engineers are always designing new technical applications, including the presentation of a potential proof of concept that will eventually become a prototype. When that prototype has proven itself to be viable for possible production by State Enterprises, there may be newfound Intents for the Council State to consider issuing a patent and finance manufacturing of a production model.

Naturally, there will be occasions where the engineers may require additional funding to refine existing prototypes or create newer variants of existing production models. The State can either allocate more Geld to further research and development or just deny their request. When the State does decide to allocate additional funding, the State is doing so with the expectation that there will be promising results by doing so. It will send accountants and planners to visit the engineers, evaluate their activities through field demonstrations, and report their observations to the State's Finance and Economic Ministries. The Ministry of Finance and the Ministry of Economics must be in close contact with the Ministry of Science. They have to arrive at a decision that involves having the State Council and Head of State give their approval for further funding.

While the Council State relies on its own Ministries, Departments and Offices to relay their reports to the State Council, the State and Social Enterprises get the rest of their funding from the Council State's Ministries of Economics and Finance. Central Planners from the Economics Ministry and Superintendents from the Finance Ministry work tirelessly to ensure that State and Social Enterprise receive the funding that their Industrial Concerns, Consortiums, Subsidiaries, and Guilds rightfully deserve and ensure that they spend their funding wisely.

If it has not been stated already, then it will be addressed here: *waste, fraud and abuse do not contribute any Arbeit to the Life-Energy Reserve*. Not contributing any Arbeit whatsoever and demanding more Geld are grounds for scheduled auditing. Regular audits are conducted by Inspectors from the State Commissariats. Every State Enterprise, Social Enterprise, Student Enterprise and Digital Enterprise has an Inspector who reports to their State Commissar, the State Commissars relaying the Inspectors' audits to their superiors, the Superintendents in charge of their State Commissariats at the Ministry of Finance. Inspectors are responsible for conducting audits to ensure that everyone in the VCS Economy is fulfilling the Legal Duties and Constitutional Obligations required of their Profession.

Roles of Economic Planners and Inspectors

In any Enterprise within the VCS Economy, an Economic Planner and their retinue of Accountants record the contributions of Arbeit and Geld from its production process over the course of a given workweek. At the end of each workweek, the Economic Planner has a Legal Duty to compile the finances of their Enterprise and deposits the financial ledger containing a financial statement to the State Bank. The State Bank electronically or physically sends three copies of that same document, one to the Central Planners, a second to the Superintendents, and a third to the Central Bank. Every month or two months, an Enterprise will be visited by an Inspector from the State Commissariats tasked with conducting a scheduled audit of the Enterprise.

Inspectors have a Legal Duty to schedule audits of an Enterprise with the Economic Planners and their retinue of Accountants. The Economic Planner must provide their assigned Inspector the Enterprise's Work-Productivity (WP) and Work-Intensity (WI), its Quality of Arbeit (QW) and Quality of Geld (QM), and its Revenues and Expenditures. Enterprises operate at a budgetary surplus when the WP value surpasses the WI value after accounting for all Force Multipliers (FMs) and the Central Bank's Mechanization Rate (MR). If Work-Productivity (WP) is outweighed by its own Work-Intensity (WI), the Enterprise is operating at a loss. Any signs of growing unproductivity and inefficiency will result in the Enterprise's Social Rank being demoted by the State Commissariats and reflected in the Kontore. Those that perform poorly and fail to improve can be taken over by more successful Enterprises.

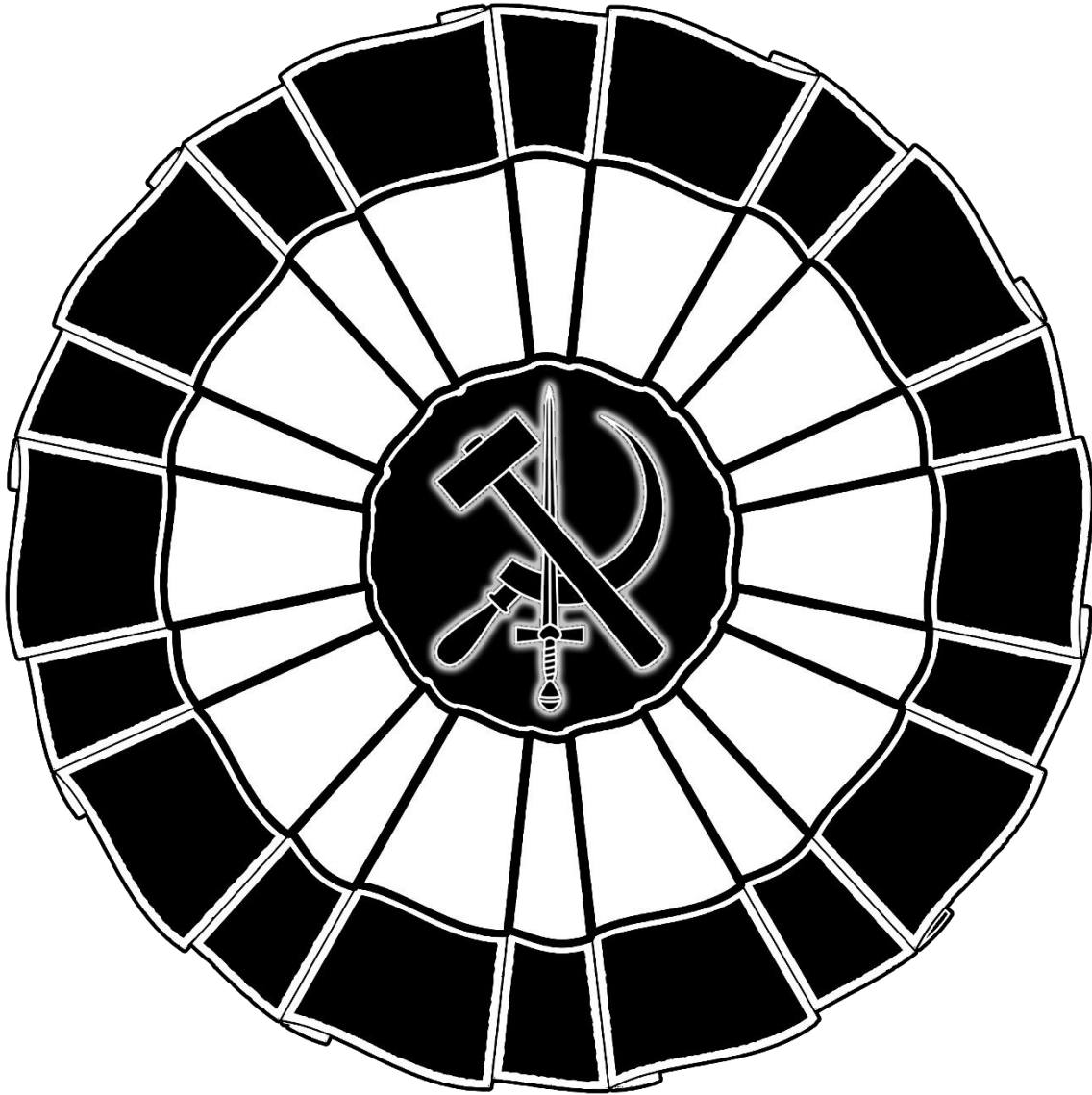
It is understandable for one of the problems of economic planning to be inefficiencies, lack of reliable information, and the Economic Planners themselves hiding inconvenient figures with fabricated statistics or doctored figures. Economic Planners in the former Soviet Union and Eastern Bloc have been accused of sometimes providing exaggerated and even incoherent figures, as if to create the illusion of productivity and efficiency. When in reality, they were simply trying to cover up signs of unproductivity and inefficiency, preventing anyone from understanding what was going on. This is not to suggest that those problems cannot exist in Market/Mixed Economies, where those problems will cause Economic Bubbles to form and later burst like in the Japanese Asset-Price Bubble that caused the subsequent Lost Decades.

These problems will no doubt be present in the VCS Economy and need to be addressed whenever they appear. Economic Planners, while acting as the supervisors of their Enterprise, will be held criminally liable if there is sufficient evidence from a State Commissariat to provide that they have deliberately been falsifying their Enterprise's financial records. Anyone caught doing so will be punished by the Council State for financial crimes against the Socialist Nation. Inconsistent figures or signs of inefficiencies will be investigated by the Inspectors and State Commissariats, who are trained to distinguish between the authentic and the inauthentic.

Altogether, the Economic Planners and Inspectors have every Intent from the Totality governing the Council State to ensure the VCS Economy is operating at its fullest, best-possible

potential. Any requests by Economic Planners to secure additional funding will be processed by their accounting office and sent to their superiors in the region. Regional State Accountants and Inspectors are expected to arrive at the premises of the Enterprise and tour the entire facility on a prearranged schedule. The State Inspectors and their retinue of Accountants will be looking to see if every Vocation and their associated Professions and Enterprises have their Work-Productivity (WP) outweighing their Work-Intensity (WI). If the Vocations within an Enterprise are fulfilling the Duties of their profession, and there is a legitimate need to secure additional funding, the Accountants and Inspectors may be able to process their request. By securing additional funding, the Enterprise in question must ensure that there are signs of an increased WP and/or a reduced WI before requesting any further funding. The State itself has a Constitutional Obligation to refrain from denying any additional funding to any Enterprise without provocation or justification. But that alone should never be an excuse for deliberate acts of poor performance at the workspace.

Section four: Political Governance of the Work-Standard



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Councils and Parliaments

Since the Industrial Revolution in the 19th century, the metaphysical State of Total Mobilization has led to newfound concerns over political-economic participations in the affairs of the nation. Throughout the Western world, in Europe, America and elsewhere, it became inevitable for many to embrace Democracy, replacing Feudalism and Monarchism. No longer will one's Social Rank be determined by claims of a centuries-old bloodline. Now, the Totality attains higher Social Ranks by either achieving the highest Quality of Arbeit or the largest Quantity of Kapital.

Democracy in the Western world differs immensely from how it was once envisaged in Greco-Roman Civilization. Although fundamental disadvantages like Demagoguery and Factionalism are still shared by Greco-Roman and Western conceptions of Democracy, the Western version has nuances that are tied to the Western world. Unlike the Athenian Democratic or Roman Republican styles of governance, Western Civilization remains stuck between two distinct modes of democratic governance. There is a “Delegative Model” and then there is the “Representative Model,” the two models forming the basis behind “Council Democracy” and “Parliamentary Democracy” respectively.

Representative Model

To begin, it should be noted that whenever the SMP Compendium and any other Treatises related to the Work-Standard mention Parliamentary Democracy, it is referring to a specific style of governance, regardless of whether the Head of State is a “President” or a “Monarch.” Whether it is the EU/NATO countries, post-1945 Japan and South Korea, the English-speaking world, or Jeffersonian America, Parliamentary Democracy is easily distinguishable from Council Democracy based on a number of discernible characteristics. These characteristics originated from Great Britain and have been developed and refined over the past several centuries into what it is within contemporary times.

In Parliamentary Democracy, people engage in the electoral process as voters casting ballots for parliamentarians who will represent their interests inside Parliament. The parliamentarian has to convince the electorate why they and they alone should be the best person to legislate on their behalf. Often, this parliamentarian is going to be affiliated with a political party that will propose and pass policies that cater to those same voters. If the parliamentarian and their party succeed in passing those policies in Parliament, they will be able to stand for reelection and continue representing the electorate. However, if they fail, the parliamentarian will be voted out and replaced by another parliamentarian, particularly somebody from another political party.

What is important to note is that the electoral process of Parliamentary Democracy occurs independently of the production processes of the Market/Mixed Economy and Fractional-Reserve Banking System. There is a ‘separation of powers’ between political power and economic power. Such separation was what led to Parliaments relying on “Committees” and “Lobbyists” to pass policies in accordance with the special interests of those who would otherwise not be noticed by the parliamentarians and their political parties. When the electorate votes in a Parliamentary Democracy, their vote does not change the size and composition of their national government nor does it enable them to be directly involved in its affairs. Instead, voters are simply choosing who and which gets to govern within a given timeframe or election cycle.

Given the presences of special interests trying to steer Parliament in direction that may not necessarily be favorable to the electorate, it should not be too surprising that some voters are left with the impression that their interests are being ‘represented’ by Parliament. There is that suspicion the parliamentarians and their political parties are unable to notice the concerns of the

electorate unless some catastrophe affects the national government or whenever factionalism, demagoguery and populism strikes Parliament.

This separation of political and economic powers cannot be addressed without subverting the integrity of Parliamentary Democracy. When it became apparent to many people in European countries between the late 19th and early 20th centuries that Parliament should do something to tame the worst excesses of Neoliberalism, “Social-Democracy” was conceptualized as an important handmaiden of Parliamentary Democracy. The basic idea behind Social-Democracy is that Parliament should implement a Welfare Capitalism that redistributes Kapital between different groups of Civil Society and prevents others from pursuing alternatives to Neoliberalism by establishing a “social safety net.” While one might be forgiven for assuming that a “social safety net” ensures that nobody gets left out, it could just as easily be a means of keeping people away from realizing that, in the end, they are still powerless. The powerlessness itself becomes discernible whenever Parliament decides that its social safety net is too expensive and is not practical enough to be effective at its original purposes.

These longstanding factors are related to one of the more obscure problems of Parliamentary Democracy, namely its definition of National Sovereignty. In most Liberal Capitalist Parliamentary Democracies, National Sovereignty does not belong to their Totalities (or, to use Neoliberal ideological language, “Civil Societies”) and any one particular Self. The fact that it does not belong to any Self is indicative of Parliamentary Democracies having abandoned all notions of Sovereignty belonging to the Head of State. Even so, National Sovereignty in Neoliberalism belongs to the Parliaments responsible for the making of policies and the passing of legislation. The Totality surrenders its claims to National Sovereignty by allowing the parliamentarians and their political parties to ‘represent’ their interests. That is why the Totality can become easily disillusioned by the electoral process because people are left with the impression that their votes do not make any significant difference in the everyday affairs of government. It might affect who runs Parliament and who gets to decide on which legislation gets passed, but not the actual bureaucracies or the political structures that form the basis of government.

The Parliament organizes the legislators, the “Members of Parliament” (MPs) or “Members of Congress” in the American case, on a Left-Right Political Spectrum. Everyone on the “Left” reflects the Egalitarian tendencies of Liberal Capitalism, everyone in the “Center” is its Fraternal tendencies, and everyone on the “Right” is its Liberal tendencies. As a reflection of the Enlightenment, the Left will favor faster Progress toward Liberal Capitalism while the Right is inclined a slower implementation of Progress. Anyone who opposes this Progress in general is often considered to be on the “Far-Left” (if they are convinced that the people’s livelihoods will suffer) and the “Far-Right” (if they are convinced that the people’s traditions will suffer).

Delegative Model

Due to the inherent problems of Parliamentary Democracy, the various Scientific and Artistic Socialisms, Corporatism, Syndicalism, State Capitalism and others have had to come up with their own styles of governance, their own political statecraft. To reaffirm the Totality’s legitimate control over National Sovereignty and to ensure that the Totality will have power in the everyday affairs of their own national government are two important political aims of overcoming Neoliberalism. Thus, it is necessary to consider Council Democracy as the viable alternative to Parliamentary Democracy. The specifications of Council Democracy are applicable to Corporatism, Syndicalism and State Capitalism as well as the Scientific and Artistic Socialisms.

The Work-Standard is also capable of fostering the implementing Council Democracy to complement a Corporatist, Syndicalist or State Capitalist VCS Economy.

In a Council Democracy, the electoral process begins inside the workspace. The Totality becomes the electorate when they are organized according to their Profession, Enterprise, Industry, and Economic Sector. Constituencies of various Professions and Enterprises are designated by their corresponding Guild, Subsidiary, Consortium, or Industrial Concern. Everyone working at an Enterprise within the jurisdiction of a Municipal government votes for a “Delegate” to govern on their behalf at its local Council.

The Council of the Municipal Government is divided between Delegates of the VCS Economy, who are seated at the “Municipal Economic Chambers,” and the Municipal Functionaries of the Municipal government’s Departments and Offices, who are seated at the “Municipal Civil Chambers.” Both Chambers must decide together who among them shall become the “Municipal Councilors” that not only preside over the entire Council but will also choose their Mayor and their Municipal Government’s “Regional Delegate” to the Regional Government Council.

The same electoral process repeats at the Regional Government Council. Delegates to the “Regional Civil Chambers” are chosen from the Municipal Government Councils, while the Regional Functionaries to the “Regional Economic Chambers” are chosen from the Regional Government’s Departments and Offices. Here, they must choose who will be the Governor of the Regional Government and who will be the “State Delegates” to the State Council of Central Government.

At the State Council of the Central Government, State Delegates from the Regional Governments are seated at the “General Economic Chambers.” Serving alongside them in the State Council are the “General Civil Chambers,” whose State Functionaries are drawn from the Central Government’s Ministries, Departments and Offices. The State Council chooses the “State Councilors” responsible for passing legislation with the “State-Electors,” who will choose the next Head of State. The Head of State in turn will appoint their Head of Government and State Ministers with the approval of the State Council. The Head of State is the “State President” and the Head of Government is the “State Chancellor.”

This is the basic template of a Council Democracy under the Work-Standard. Note that the size and composition of the Municipal, Regional and Central Governments are directly impacted by the Social Ranking System. The Central Government will be smaller compared to the Regional and Municipal Governments because the latter two have to accommodate the interests of the Totality. A single State Delegate within the General Economic Chamber has far more constituents than a Delegate from the Municipal Economic Chamber of a Municipal Government.

In later Entries of the SMP Compendium and covered in greater detail in two other Treatises, the basic template of Council Democracy is modified further to account for the appearances of Student Economy and Digital Economy during the late 20th century. For Student Enterprises, the Student Government maintains its own Chambers and Councils, whose constituencies at the national level are delegated by State Delegates inside the General Civil Chamber. Those State Delegates are drawn from the Council State’s Ministry of Education. For Digital Enterprises, there are “Social Forums” on the National Intranet that have their own delegations to the Councils, and whose constituencies at the national level are delegated by State Delegates drawn from the Council State’s Ministry of Science and Technology.

Unicameral versus Bicameral Legislature

Council Democracies and Parliamentary Democracies may opt for either Unicameral or Bicameral legislatures. Unicameralism refers to a legislature that has one body responsible for policymaking and legislating, whereas Bicameralism features a legislature with two bodies. The same choice is also reflected in the decision to opt for either Unitary, Federalist, or Confederal political structures.

In a Parliament, the norm is for the legislature to be bicameral by having a Lower House and an Upper House. The Lower House comprises of the representatives elected by the people at the national level. The Upper House are similar to the advisory group on legislative matters, but they are often appointed in the case of Constitutional Monarchy or they are elected as in Presidential Republic. A bicameral Parliament maintains a number of Committees and subordinate Subcommittees in its Lower House or both Houses. These Committees will be associated with a specific set of issues that are of concern to the nation-state. The Subcommittees are more specialized variants of the Committees, focusing on more specific tasks that pertain to broader fields of interest. It is particularly under those conditions that lobbyism and favoritism tend to proliferate among the Committees and Subcommittees because what goes on there is of no concern to the rest of the Parliament until a new proposed bill is allowed to materialize.

In the State Council, it is acceptable for the legislature to be unicameral in nature. However, it is also possible for the legislature to be bicameral, where the State Council establishes an advisory group guiding the decision-making of the Head of State. This advisory group differs from the Cabinet or “*Council of Ministers*” who serve under the Heads of State and Government by leading the various Ministries of the Central Government. They are in many respects reminiscent of the old Courts of Monarchs who had once ruled the Western world prior to the Enlightenment.

The State Delegates and the State Councilors constitute the “*Lower State Council*,” the State-Electors and the State Chancellor as the “*Upper State Council*.” The upper half or the lower half recognizes that there is a policy problem worthy of being addressed by the Council State. The proposed legislation must account for the concerns and considerations of the Regional and Municipal Councils as well as their Constituencies. If a majority of State Delegates and State Councilors are in favor, it goes to the Upper State Council to be approved by a majority of the State-Electors. The State Chancellor’s vote will break the tie. The inverse can also happen as well.

Either way, regardless of whether the proposed legislation was originally introduced in either the Upper State Council or the Lower State Council, it will always go to the State President. It is up to the State President to either approve or disapprove. If the State President approves, it will be signed into law. If the State President does not approve, then the State Council must either change the proposed legislation or override the State Presidency with a two-thirds majority.

Functions of Council Democracy

No one should be misled by the Liberal Capitalists into thinking that there is only one definition of Democracy. Parliamentary Democracy is not the only version of Democracy that exists. Council Democracy was promoted by the Work-Standard to emphasize the importance of realizing that political governance and economic governance are part of the same statecraft. National Sovereignty belongs to the Totality, which entrusts the Council State to wield the Intents of Command and Obedience and to govern the nation. Council Democracy is the means by which the Totality holds the Council State to account and to ensure that the political parties in charge of the Council Democracy do not abuse the political and economic powers of the Council State.

Political parties will continue to exist in Council Democracy, but unlike those operating in Parliamentary Democracy, their funding is partly supported by the Council State. Registered political parties that have chosen to support the ruling “People’s Party” and its “United Front” of supporting parties are entitled to receive funding from the State Budget. These administrative funds are allocated to the People’s Party and its United Front to operate their various party organizations and groups. The purpose of this Entry is to discuss the People’s Party and its United Front, how they conduct themselves under Council Democracy, and how they interact with the Totality as part of the broader Council Democratic process.

Council Democratic Terms of Office

The “Democracy” in Council Democracy is a genuine one. In the basic template of Council Democracy under the Work-Standard, the State President serves two (2) consecutive terms of five (5) years each. At the end of their fifth year in office, the State President will stand for reelection by the State-Electors. State-Electors may either reelect the State President or replace them with another candidate from the People’s Party and its United Front. In the event of a tie, the State Chancellor must break the stalemate. If the State President wins reelection, they are allowed to serve for another five years. By the end of their tenth year in office, the State-Electors will choose another candidate to replace the outgoing State President. After a new State President is chosen, the incumbent State Chancellor leaves office and is replaced by their successor.

The State-Electors serve on an eight-year term and State Councilors on a six-year term. At the end of their terms, State-Electors and State Councilors must stand for reelection. The State Delegates and State Functionaries may choose to reelect them or replace them with other candidates among their ranks. Conversely, the State Delegates serve on a four-year term, whereas the State Functionaries serve on a five-year term. At the end of each term, Constituencies inside the Central and Regional Governments must reelect or replace with other candidates.

In the Regional Government, Governors serve two consecutive terms of eight years, while Regional Delegates and Regional Functionaries serve four-year and five-year terms respectively. They must stand for reelection, where they will either be reelected or replaced by their Constituencies inside the Regional and Municipal Governments. In the Municipal Government, Mayors serve two consecutive terms of six years, Municipal Delegates serve on a two-year term, and Municipal Functionaries on a four-year term. Again, they have to be reelected at the end of their terms by the Municipal Government’s Departments and Offices as well as the VCS Economy’s Enterprises and Professions.

Term Limits do exist under Council Democracy, but they only apply to the State President, State Chancellor, Governor and Mayor. The State-Elector, State Councilor, and all Delegates and Functionaries do not have Term Limits and can continue to serve until they decide to resign or

retire, are replaced by their Constituencies, or can no longer serve due to health reasons. To compensate for the lack of Term Limits for those government officials, the Totality has the ability to recall any of them by a majority vote from their Constituencies.

Imagine for a moment that there is a Municipal Delegate whose Constituents are the members of a Social Enterprise, a NSE that specializes itself as a “Department Store.” The Department Store is operated by an Administrator and Civil Servants, its contributions of Arbeit and Geld recorded by an Economic Planner and their Accountants, and regularly evaluated by an Inspector from the State Commissariats. The personnel of this Department Store had chosen one of their own to be their Municipal Delegate. This Municipal Delegate is in the middle of their term and they have thus far proven themselves unworthy of governing in their interests. Since they were the ones who voted that person into office, the personnel of the Department Store can simply decide by majority vote to issue a “Recall” of their Municipal Delegate.

When a Recall is issued, the Constituency announces to the Municipal Council that their Delegate or Functionary (in this case, the Delegate of a Department Store) will be stepping down from office and standing for reelection. The Constituency will then be able to elect somebody else or be convinced otherwise and keep the Delegate in office. Upon conclusion of the new election, the Constituency must inform the Municipal Government of the decision. The decision will be respected by the Municipal Government, upheld by a sitting judge, and enforced by law. To prevent arbitrary, rash decision-making and encourage the Totality to choose wisely, every Constituency can only issue a Recall once a month.

The People’s Party and United Front

Every political party, including the People’s Party and its United Front, is led by a “Party Premier,” a “Party Chairman” and a “General Secretary.” The Party Premier becomes the State President if they had been chosen by the State-Electors of the State Council. The Party Chairman will become the State Chancellor if they are chosen by the Party Premier. Regardless of whether the Party Premier and Party Chairman are elected to serve as State President and State Chancellor, the everyday affairs of a political party fall under the responsibilities of the General Secretary.

The Party Premier, Party Chairman and General Secretary preside over the “National Party Council” consisting of “National Party Functionaries” and “National Party Delegates.” The Party Premier is chosen by the National Party Functionaries, the Party Chairman from among the National Party Functionaries, and the General Secretary and National Party Functionaries from among the National Party Delegates. The National Party Delegates are selected from “Regional Party Councils” of “Regional Party Functionaries” and “Regional Party Delegates,” who are in turn chosen by the “Municipal Party Councils” of “Municipal Party Functionaries” and “Municipal Party Delegates” voted by the party membership.

In the Municipal Party Council, Municipal Party Delegates compete with their counterparts from other political parties to become the Municipal Delegates of various Guilds and Enterprises at the local level. The same is to be expected of Municipal Party Functionaries among the Offices and Departments of the Municipal Government. If the Municipal Party Delegates and Municipal Party Functionaries gain a majority vote in their respective elections, they will be given their seats inside the Municipal Economic Chambers and the Municipal Civil Chambers of their Municipal Government. If the Municipal Party Council succeeds in getting a majority of its members to sit on the Municipal Civil Chambers and Municipal Civil Chambers, they will be in the position to choose their Mayor and Regional Delegate to the Regional Government, followed by the Governor and State Delegate to the Central Government.

In the Regional and Central Governments, the Regional and National Party Councils must coordinate their efforts to ensure that their Party Functionaries are chosen by the bureaucrats of the Ministries, Departments and Offices. For Party Delegates, the Municipal Party Councils should coordinate their efforts across the various Municipal Governments to get them into Regional Delegate and State Delegate positions. In the General Economic Chambers and General Civil Chambers, it then becomes a matter of either gaining a majority inside the State Council or receiving the support of the State Council to get Party Delegates or Party Functionaries chosen as State Councilors and State-Electors. Once a political party has enough of its National Party Council as State Councilors and State-Electors, they will then be able to choose the Party Premier and Party Chairman as the next State President and State Chancellor respectively.

In order to achieve that lofty goal, every political party will need access to ample amounts of Actual Geld because their political activities do not count as sources of Actual Arbeit. Unless they receive funding from the Council State or they are operating their own Enterprises in the VCS Economy, political parties are not directly involved in any production processes and transactional sales. Labor unions do not count. This limitation has to do with the Work-Standard's distinct conception of Property, which affects whether or not someone is capable of contributing Arbeit and Geld to the Life-Energy Reserve. The State Commissariats of Wages and Price enforces it in order to mitigate corruption, embezzlement, and fraud among the registered parties. The funding of all political parties should always be scrutinized by both the Totality and the State.

The general purposes of funding political parties are for the party leadership to have the means of establishing organizations and groups for its membership and to convince the Totality why they should be the ones in charge of the Council State. Political parties are allowed to set up youth, women, and university groups, disseminate a party newspaper, publish party literature and media, and to gain the electoral support of the Totality through Social Media and Student Media. All apolitical and cultural publications fall under the dominion of State Media, which will not be brought under the control of any political parties.

Social Ranking System and Constituencies

The Social Ranking System plays an important role in the delegation of the VCS Economy. As one has probably noticed in this Section thus far, the Civil Chambers of a given Council consist of Functionaries from the various Ministries, Departments and Offices. The State Council's General Civil Chamber is for the Central Government's bureaucrats, the Regional Civil Chambers for the Regional Government's bureaucrats, and the Municipal Civil Chambers for the Municipal Government's bureaucrats. What deserves mention is that, among the Economic Chambers of the Councils, not every Enterprise automatically has its Delegates assigned to the Municipal Economic Chamber by default. Sometimes, because of corresponding Social Rank, an Enterprise might have its Delegate sitting in the Regional Government or the Central Government.

- Constituents of Social Enterprises affiliated with Guilds and Subsidiaries, such as smaller NSEs, POEs and PDEs, send their Delegates to the Councils of their Municipal Governments.
- Constituents of Social and State Enterprises affiliated with Consortiums, all of whom are small SOEs, most NSEs, and larger POEs, send their Delegates to the Councils of Regional Governments.
- Constituents of State Enterprises affiliated with Industrial Concerns, which includes the rest of the SOEs and all SAEs, send their Delegates to the State Council of the Central Government.

The idea here is straightforward. Larger Social Enterprises and State Enterprises are more difficult to accommodate by Municipal Governments. Higher Social Ranks are correlated with a higher Quality of Arbeit and vice versa. The higher the Social Rank of a given Enterprise, the more necessary it becomes for its Delegates to be brought under the direct oversight of the Council State. Thus, all Industrial Concerns only rely on State Delegates to govern at their behest.

To level the playing field between Enterprises of varying Social Ranks, the Council Democratic process is designed to ensure that the entire VCS Economy has proper delegation. Every Guild and Subsidiary of Enterprises in the VCS Economy chose its Municipal Delegates and entrusts them to select their Regional Delegate, who will in turn elect the State Delegate expected to govern on behalf of their respective Guild and Subsidiary at the State Council. Every Consortium of Enterprises in the VCS Economy chooses their Regional Delegates, who in turn are expected to elect the State Delegate expected to govern on behalf of their respective Consortium at the State Council.

Council Democracy in Action

The mundane application of Council Democracy in the workspace is conducted by personnel of State and Social Enterprises within the VCS Economy. The Work-Standard is capable of facilitating three main types of economic governance styles whose applications are dependent on the Social Rank and whether the Enterprise in question is a State Enterprise or a Social Enterprise. These three types of applying Council Democracy in the workspace are known as “Codetermination,” “Workers’ Self-Management,” and “Joint-Ownership.”

State Enterprises and large Social Enterprises tend to employ Codetermination while integrating the Council Democratic process into their production processes. When an Enterprise’s Delegate is not doing anything in any of the Councils, they are speaking on behalf of the rank-and-file Civil Servants at the uppermost chain of command. The Delegate interacts with the Administrator, the Economic Planner and Accountants, and the Inspector, keeping all of them informed on the latest happenings of the Civil Servants. They ensure that their Enterprise is at peak performance vis-à-vis the Quality of Arbeit and are responsible for the issuances of NSFIs to the Civil Servants and Investors.

Workers’ Self-Management resembles a hands-off approach compared to the likes of Codetermination and the third type, Joint-Ownership. Some Social Enterprises are capable of being operated by giving greater freedom of action and autonomy to the Civil Servants responsible for its production processes and transactional sales. For that to occur, the Delegate and the Administrator have to be the same person in charge of the Enterprise and all of its personnel. One possible to initiate Workers’ Self-Management is for the Administrator to be respected and admired by their Civil Servant subordinates to be considered as their Delegate.

While Enterprises choose their own Delegates to speak on their behalf at the Councils, there is greater flexibility outside the Councils to apply Council Democracy. Joint-Ownership was devised to let Enterprises affiliated with Guilds, Subsidiaries, Consortiums and Industrial Concerns to have their Delegates choose someone among themselves to be the intermediate between the Civil Servants and the rest of their respective Enterprises. On the other hand, Enterprises that perform poorly or are too small to have the hierarchies of larger ones could allow themselves to be brought under the control of larger and more successful Enterprises. This can coincide with the personnel of the affected Enterprise being replaced by people coming in from the other Enterprise initiating the takeover. The personnel that have found themselves removed from the affected Enterprises are allowed to join another Enterprise or be entitled to receive mandatory Work-Conscription from the Council State. Unemployment and Underemployment do not exist under the Work-Standard.

Unfortunately, the concepts of Codetermination, Joint-Ownership, and Workers’ Self-Management are beyond the purview of the SMP Compendium. They deserve their own Treatise, allowing them to be discussed in sufficient detail within the context of the Student Economy and its interactions with Council Democracy. The purpose of this Entry was to introduce these three concepts and eventually lay the groundwork for their proper discussions in another Treatise.

Types of Media

The flow of information in Council Democracy is fostered by the Totality and the State, channeling it through three different types of Media. The term ‘Mass Media’ in this context refers to the conveying of information through various mediums such as literature, music, television, film, news coverage, video games, and so on. Every possible mode of mass communications is capable of creating Arbeit and Geld within their production processes and transactional sales. The Council State and the Totality are capable of contributing Arbeit and Geld to the Life-Energy Reserve by participating in the dissemination of Mass Media.

The Council State is expected to allocate a portion of its State Budget toward a free and accessible “State Media.” Contrary to what one may be thinking, the Council State does not disseminate any propaganda through State Media insofar as there are other avenues for when that is necessary in wartime. In normal peacetime conditions, however, State Media is primarily responsible for the dissemination of content that demonstrates the National Culture of the Totality. Festivities, traditions, social customs and norms are showcased on State Media to promote the National Culture, thereby uniting the Totality around their National Essence and National Identity.

There are regular weather and news reports, covering national, regional and local events. The Totality is made aware of what is occurring inside the State Council and there is always going to be live coverage of any in-session legislative or interparty debates. The legislative debates involve State-Electors, State Councilors and State Delegates, but interparty debates are conducted by the leaderships of the People’s Party and its United Front. The idea is to keep the Totality informed on what is happening to the Council State, who are major parties running the Central Government, and instills the everlasting need for transparency and accountability.

State Media features economic and financial coverage of the VCS Economy from the Kontore and State Commissariats. The Central Planners and the Superintendents from the Ministry of Economics and the Ministry of Finance respectively always publish up-to-date information on the VCS Economy for the Totality as well as any Investors trading Arbeit and Geld for National-Socialized Financial Instruments. Important changes to Paygrades and Prices are announced across the various regions of the Socialist Nation. Even the Central Bank relies on State Media to inform the Totality about any changes it has made to their Sociable Currency or the Mechanization Rate.

National coverage of competitive sports is also handled by State Media. There will be the usual coverage of football matches and any other sports that happen to be popular in the Socialist Nation. Not everything broadcasted by State Media has to be considered as boring by the Totality. After all, to be on State Media is to be famous. Only the best content and highest-rated entertainment produced by the other two types of Mass Media, “Social Media” and “Student Media,” is going to be broadcasted on State Media.

The aforementioned distinctions between State Enterprises and Social Enterprises are also reflected in the distinctions between State Media and Social Media. Instead of referring to the practice of “Social Networking” under Neoliberalism, the concept of Social Media describes the creation and contribution of media created by and for the Totality. What can be found on Social Media are content that is not as popular or as necessary as those found on State Media, but are nonetheless worthy of giving a chance. This includes content that was locally produced and promoted by Regional and Municipal Governments.

Most varieties of entertainment are classified as Social Media under the Work-Standard. Everything from professionally made productions funded by Regional and Municipal Governments to literature made by political parties are two notable examples of Social Media.

They could be TV shows, movies and games from less prominent publishers. They could be music and literature made by up and coming creators within their respective Industries. In all of those instances, everyone has a Vocation attached to a Guild or Subsidiary of Enterprises.

Almost everyone who gets involved in the contributions of Arbeit and Geld within this facet of economic life started out in Student Media, which refers to content created in the national educational system and allowed to be republished on Social Media by the Student Government. The contributions of young people to the National Culture are given their proper platforms on Student Media. The best works of art that gets republished on Social Media have a chance of being showcased on State Media.

As interesting as they may be, the concepts of State Media, Social Media and Student Media share the same significance as the concepts of Codetermination, Joint-Ownership, and Worker's Self-Management from the preceding Entry. In essence, all three concepts are beyond the purview of the SMP Compendium. Like Codetermination, Joint-Ownership and Workers' Self-Management, they deserve their own Treatise in connection to the Student Economy. The purpose of this Entry is to introduce them as being relevant to the Council Democratic process and how the flow of information operates under the Work-Standard. It was meant to provide a brief overview of these three types of Mass Media, therefore recognizing them as valid sources of Arbeit and Geld for the Life-Energy Reserve.

On Direct Orders

The following Entry covers the concept of issuances of commands as Direct Orders under Liberal Capitalism and Socialism, including how their opposing economic lives impact the political and social lives of any nation. The topic to be addressed are the Constitution, Legal Code, and the functions of government, the capital and major cities within the nation. Since the rest of humanity is so thoroughly Westernized at this point in world history, what will be covered here should be familiar to the daily life of the reader. Everything discussed here is mostly Western in origin due to the centuries-long Westernization of the rest of the world by the Europeans and eventually the Americans. Much of their efforts were not entirely economic or even political; they were also technological as in smartphones and Internet and cultural as in the proliferation of Western “Pop Culture” and “Subcultures.” Other influences will appear in the legal jurisprudence as a reflection of the affected country’s colonial past.

The first visible signs of any Civilization, be it Western Civilization or another Civilization, is to pack one’s luggage and visit its cities. Every nation-state in the early 21st century has most of its population living in the capital, in major cities or at least among the larger rural towns surrounding them along major highway roads and rail lines. In the English-speaking world, rural and urban areas are connected by the presence of special locale called “Suburbia.” In the German-speaking world, however, the concept does not exist in the German language because there never was a proper equivalent for German speakers to describe this spatial demarcation.

For the Western world as a whole, the changeover from Western Culture to Western Civilization has witnessed the centuries-long development of towns into cities, cities into metropolises, metropolises into world-cities. It is to be expected that vast swathes of the countryside will look increasingly depopulated under Liberal Capitalism. This has resulted in entire towns being abandoned as young people search for Meaningless Work to earn Kapital in the cities. What passes as ‘overpopulation’ is in reality the difficulty of affordable residences because of Rents and Mortgages. Granted, while a similar process can occur under Socialism, that remains dependent on the overall extent of Liberal Capitalist ideology’s subversive influences on the national economy as in the case of the PRC. A Planned/Command Economy, if it is not yet industrialized, may require the creation of new cities overnight to facilitate manufactories. Since much of the Western world is already industrialized, despite Deindustrialization, there may be fewer chances for a depopulation of the countryside to occur; the only exception is of course a breakdown in the Total Mobilization of Production.

This specific development in World History is a distinctly Western phenomenon, introduced to the rest of humanity by the old European colonial empires of the 19th and 20th centuries. One can encounter elements of this phenomenon in the centers of most major cities, where it is commonplace to find high-rise skyscrapers dotting the skylines and tall towers broadcasting radio, television, telephone, Internet and WIFI signals. Automobiles navigate the streets, the sidewalks clogged with countless scores of pedestrians crossing those same streets.

What is genuinely concerning about the latest phases of this developments have been the concentrations of economic and financial powers in the capitals of most countries. It is noticeable in places like Washington DC, London, Paris, Brussels, Berlin, Rome, Madrid, Moscow, Seoul, and Tokyo. Sometimes, one may find the other cities to be de-industrialized and the countryside becoming gradually depopulated, and whole towns literally abandoned. The trend is correlated to the extent of so-called ‘Financialization’ under Liberal Capitalist Financial Regimes, where the proliferation of Kapital is closely tied to the rising amounts of Sovereign Schuld.

It is in the national capital of those regimes that Kapital tends to become more entrenched due to the presence of their central banks. These central banks are also well-known for their constant interactions with the financial markets within major centers of Western finance such as New York or Frankfurt. And while the center of political power is also concentrated at the national capital, the real centers of economic power are dispersed across other major cities, which can be helpful in discerning the extent of deindustrialization in any nation-state. Do note that certain cities like St. Petersburg and Moscow, Beijing and Shanghai, Hong Kong, Macau, or Singapore are not being covered here. St. Petersburg, Shanghai, Hong Kong, Macau, and Singapore are all cities historically known for allowing the Westernization of the lands beyond the Western world itself.

The manner of this kind of political-economic-financial-social organization does pose major implications for Socialism and the Work-Standard in particular. Is it possible to envisage the center of political power remaining at the national capital and the centers of financial and economic power to be dispersed across different cities? That the Central Bank of the Socialist Nation stays in the national capital, but the Kontore and the State Commissariats are evenly dispersed across different regions of the country? And that the same can also be said for various industries, the inspectors of national economy, the economic planners and their accountants as part of MTEP (Mission-Type Economic Planning), provided there are reliable transportation systems and secure, encrypted communications? If those questions are all true, then the Socialist Nation is more able to minimize the damage inflicted on its cities in wartime from enemy aerial bombings and cyberattacks as well as reduce traffic congestion, overcrowding and urban sprawl in peacetime. That will save the Socialist Nation precious Geld in upkeep costs, save lives, allow everyone else to receive higher Paygrades, fewer taxes and no toll roads.

More importantly, a distinct manner of administrative organization can come into being because of the Work-Standard peculiar issuance of Direct Orders under the Intents of Command and Obedience. A “Direct Order” under the Work-Standard ranges from political and legal to economic and financial. Politically, it can be the issuance of Directives from the Head of State or potential laws passed by the State Council and signed into effect by the Head of State. Legally, those are the Constitution of Intents and Obligations and the Legal Code of Duties and Rights. The latter ties in with economic life, its financial equivalent in the forms of NSFIs.

Direct Orders may affect the Totality, the Church, the State, the Class/Estate, or the Individual/Self, essentially one or all of the sociological categories described in “State, Totality, and Self” from Section One. Further distinctions emerge when somebody raises the question of their lawfulness or their unlawfulness. While some laws are necessary like legislation mandating all motorists to wear seatbelts and not exceeding the speed limit, there are other laws which are unnecessary by operating according to the Freedom-Security Dialectic of Liberal Capitalism.

There are certain laws among the States of the American Union that are as absurd as they were also arbitrarily passed as part of a Parliamentary Democracy. Any law passed arbitrarily will find immense difficulty justifying its own existence under Council Democracy. Council Democracy will have an easier time judging the merits of whether a certain law should continue existing, depending on how well educated the Totality is on why any law is supposed to exist. This can be done as early as someone’s early adult years, specifically during their school life. Even so, it is still up to the teachers and parents to ensure that the next generation will be raised into upstanding, law-abiding adults in the State of Total Mobilization.

In the previous century, it has often been asked among economists as to whether the Market/Mixed Economy or the Planned/Command Economy represent more natural and organic models of economic life than the other or vice versa. Arguments and counterarguments were made

on the basis of ideas from the 19th century. Today in the 21st century, people are beginning to know better. The Market/Mixed Economy remains more fixated on whether there can be any market for Nature itself, even in the midst of environmental degradation, resource depletion, and Climate Change. Meanwhile, the Planned/Command Economy is now being asked on whether the power over Nature itself comes with its own set of Command Responsibilities. Just as Command Responsibility entails superiors being held criminally liable for illegal acts committed by their subordinates in wartime, the same has yet to be ascertained within peacetime contexts.

The next four Entries will cover those implications by focusing on the legal system and the educational system. Even Socialist countries have their own judiciaries and not every act decided by the courts is going to be too politically motivated, outside of some high-profile cases. The need to educate and instill within the youth the traditions, cultures, social customs and norms, and love of their nation are all Socialistic values unfortunately absent under Liberal Capitalism. If the State under Socialism had found difficulties previously, the State would find an easier time upholding its Constitutional Obligations to young people, the Totality's future.

A Constitution of Intents and Obligations

The Head of State is the First Servant of the Socialist Nation. In Council Democracy, they are to be elected by means of an Electoral College or any comparable electoral body. Either they serve two consecutive five-year terms or they are allowed to rule for the duration of their lifetimes. The latter is permissible under special circumstances such as in wartime, where there is the genuine need for coherent, consistent leadership. Governing the everyday affairs, the Head of State is expected under the Constitution to sign or veto proposed legislation into law, ratify international treaties, grant pardons, amnesties and reprieves, appoint members of the Cabinet and General Staff of the Armed Forces, issue high-tier awards and diplomatic letters of credence to Ambassadors.

The Cabinet serves as the “Council of Ministers” as the heads of governmental ministries. Each Ministry corresponds to a specific facet of everyday life. There can be Ministers for Agriculture, Economics & Industry, Finance, War, Education, Social & Family Policy, Foreign Affairs, Interior, and others. Also included are the head of the General Staff of the armed forces, the chairperson of the Central Bank, the directors of intelligence and national police forces, and commandants of economic planners and state commissars. These government officials constitute the organizational composition of the Council of Ministers, their commissioning approved by the State Council. The Head of State is permitted under the Constitution to appoint a Head of Government from an approved pool of candidates provided by the State Council. The Head of Government is the one who will not only govern the affairs of the State Council, but they will also be translating governmental policies into action.

The Constitution of the Socialist Nation is to be written in a manner that it explicitly states the Intents of what is to be expected of the State, the Totality, and the Self across every facet of everyday life. Whatever is written will be conveyed as an “Explicit Intent” for future generations that they are unconditionally bound to uphold. However, the literal wording or how to interpret the text is unimportant; *what really matters is what the Nation intends to do with their Constitution*. Put into practice, the Constitution needs to be broad enough to let the State, Totality and Self act decisively as well as be strict enough to convey the purposes of their own actions. Complacency and inaction are far worse than errors in the choice of means.

New Amendments to the Constitution should be done sparingly as an overabundance of Amendments will undermine the Constitution’s ability to convey its original Intents, confusing and frustrating the State, Totality and Self on what is expected of everyone. Worse, it also sets the future constitutional precedent for limiting the freedom of action for the State, Totality, and Self. If this sort of reasoning happens to be familiar to the American reader, this is the genuine concerns of Alexander Hamilton toward the Bill of Rights from *Federalist Paper No. 84*.

It does matter greatly as to what the Nation intends to do with their Constitution. Hamilton’s concerns cannot be understood in their original historical context without realizing that wherever the Constitution provides an Explicit Intent for each Article, Paragraph and Section, there is also an “Implicit Intent.” Implicit Intents are seldom conveyed by written, audiovisual, or oral instructions. They originate from the ethics, social customs and norms, tradition, culture, history, worldview, and language of the people who constitute themselves as citizens of that nation. Everyone develops their inward self-awareness of Implicit Intents during their formative years when they were children and adolescents. As they get older, during their secondary and tertiary educational years, these Implicit Intents will affect how they interpret the Constitution and the Legal Code of their nation. Anyone can vocalize an Implicit Intent by asking their peers and

superiors questions about the Constitution and the Legal Code, and everyone else can draw their own conclusions from those responses.

There are four ways in which an Implicit Intent can become an Explicit Intent. It can be externalized by verbally or literally expressing their Implicit Intents and letting those words be their interpretation of the Constitution. This is evident in *The Federalist Papers*, especially when one begins postulating over whether there are conflicting interpretations of the US Constitution between Hamilton and James Madison. Since John Jay, the third author of *The Federalist Papers*, wrote only five of the eighty-five Federalist Papers, an argument can be made that two different Implicit Intents are being conveyed by Hamilton and Madison. One is describing the United States as a Council Democracy, the other as a Parliamentary Democracy. This discrepancy is an example of an Implicit Intent being internalized as one addresses those two Implicit Intents, trying to understand their deeper motives and historical contexts.

With Socialism, there are two additional Implicit Intents. One can socialize with their peers, get together somewhere and discuss those same motives and historical contexts behind why the US Constitution was ratified in the manner that it is. That also extends to why there are twenty-seven Amendments, ten of which form the Bill of Rights, and why there have been tens of thousands of failed attempts to implement a twenty-eighth Amendment. The decision to establish a dialogue on why this is the case with the US Constitution is the fourth Implicit Intent insofar as one is expressing their interpretation of the Constitution to their peers.

Complimenting both Explicit and Implicit Intents are the Obligations to State, Totality, and Self. An Obligation refers to specific actions which are required of every citizen. The existence of any Obligation relies on an Explicit Intent of why something needs to be done. How that Obligation translates into actual laws passed by the State Council and signed by the Head of State can also be affected by an Implicit Intent becoming an Explicit Intent.

A good analogy of why this phenomenon would occur is in Immanuel Kant's concept of "Perfect Duties." There are certain actions in the life of any citizen which are unconditional and binding and thus need to be done in the specific manner they were issued. One example of an Intent being connected to a recurring Obligation within the SMP Compendium is the "*Constitutional Obligation in the Service of All for All*." Every Self serves the Totality and the State, the Totality serves the Self and the State, and the State serves the Totality and the Self. Everyone is free *and* called to serve as part of their Vocation under the rule of law. If anyone cannot find a Vocation, the State is obligated by law to help them realize their Vocation or provide them with Meaningful Work. However, there are also "Imperfect Duties" that one is not morally and legally bound to uphold in a specific manner. Those Imperfect Duties can be done at one's own discretion, allowing the Self to decide whether they are worthy of upholding them.

The significance of Perfect Duties will no doubt affect how the Constitution is enforced and how specific laws are implemented based on the Intents and Obligations therein. Where the Imperfect Duties apply is within the legal realm of the Duties and Rights that form the Legal Code of the Socialist Nation. Every Vocation features its own distinct set of Duties and Rights. There are certain actions which are to be expected from someone's participation in a Vocation and there are general guidelines regarding their everyday activities. If a Vocation does what is expected of its existence in the VCS Economy, how somebody carries out the daily assignments will always be left at their discretion unless otherwise stated as part of their Duties to that Vocation.

A Legal Code of Duties and Rights

Everything up until this Entry can be summarized as the following. A new workday begins with people voluntarily arriving to their workspace. Everyone proceeds to interact with their Vocations, pouring their Life-Energy into the Vocation to create Arbeit. Arbeit flows from the actions of harvesting and extraction of resources, generating electrical power and energy sources. Most of the raw materials were refined into Equipmentalities to be transported by distributors to the other manufacturers that needed them to create pre-fabricated components, replacement parts, unfinished goods, and so on. These manufacturers arranged to have them transported to other manufacturers who produced the finished goods. The Arbeit slowly accumulated in force and mass over the course of the production process.

The finished goods were transported elsewhere, delivered to the professions that had placed their orders for them as part of their own contributions of Arbeit. The goods allowed for the contributions of Arbeit from the provisions of basic essentials, the operation of various different services, contributed to the movement of information, and the rest later sold to those interested in purchasing them. Certain services turned the goods into other goods for other services, as in the cases of restaurants, bakeries, grocers, furniture stores, and others. Some services facilitated the movements of information, goods and services, Arbeit and Geld across the nation. The rest enabled for the functions of the State, the armed forces, intelligence apparatus, police forces, legislatures and judiciaries, banks and financial offices. Everybody who contributes Arbeit also had a Vocation with which to commit their Life-Energy toward for the creation of Arbeit.

The Arbeit of the Nation was then converted into the Geld of the whole Nation. The State issued the Geld needed for the Nation's Expenses, issued everyone's Paygrades, invested Geld into the developments of emerging enterprises and industries, and saved the rest for the State Budget. Those who could not realize their Vocations were offered potential opportunities for them to contribute Arbeit and receive Geld for an enterprise or industry, financial offices and banks, and anything which the State needed from them to serve the Totality, the people of this nation.

Kontore issue special financial instruments such as the Four-Year and Five-Year Work-Plans to interested Individuals. State Commissariats oversee the powers of setting the prices and wages with the active, direct participations of both the Totality and the State. The banks issue Interest-free loans to those looking to create their own Vocations, their own enterprises. The Borrower contributes half of the Arbeit and the Lender contributes the other half to the State. Once the State receives both halves of Arbeit from the Borrower and Lender who had conducted the loan, the State gives Geld to both the Borrower and the Lender.

Where there is always plenty of Arbeit to be had from countless different Vocations, there is always going to be plenty of Geld to go around for everyone who interacts with their Vocations. The highest-possible Quality of Arbeit yields the lowest-possible Quality of Geld; Technology has the potential to mobilize to the national economy and the whole world whenever it is designed to enhance the Quality of Arbeit over the Quality of Geld. That will prevent excessive depreciation of the Currency since it is pegged to the Value of all Arbeit in the nation overall, which is essentially tied to the overall performance and well-being of the Totality. The secret essence behind the Work-Standard lies in the fact that the Arbeit is what gives all economic life its Values and its Prices and that neither Arbeit nor Geld are Commodities but goods to be placed in the trust of the Financial Regime at the behest of the national interest. This is what separates it from Liberal Capitalist conceptions of finance: *the goal of every Vocation is defined more so by its Quality of Arbeit and the effects that the Arbeit has on the Totality as the end in itself.*

Everybody knows their Rights and the Duties of their Vocations. Everyone has the freedom of action in ensuring that the Socialist Nation prospers. Everyone knows that there are ways for them to address and resolve any shortcomings within a functioning Council Democracy. To participate in economic life is to also participate in political life. Proactive involvement in the affairs of the Nation is encouraged by the State; everyone is committed to creating a productive environment conscientious to the needs of the Nation and its future.

Do the ends justify the means or not? Liberal Capitalism by contrast insists that Arbeit is only the means of achieving the goal of accumulating vast sums of Kapital. The free market exists ostensibly to ‘protect’ the Individual from other Individuals *and* claim to ensure their ‘freedom’ by providing the Incentives of competition for more Kapital. Laws under those circumstances can always be manipulated with adjustments to the legislation because the free market coexists in tandem with a Parliamentary Democracy. Parliamentary governance is open to manipulation by anonymous interests with Kapital to advance their own agendas for accumulating more Kapital.

Why does Liberal Capitalism espouse the belief that Kapital is the goal of economic life? Economic freedom under Liberal Capitalism is defined as *freedom by means of Kapital*, from the luxury goods that one could buy to the copious amounts of *Zeit* devoted to leisure and idleness. This is evident in the manner in which the ideology’s applications of Technology have led to the rise of consumerism and the complacency that leads to decadence and decline of whole nations. True economic freedom, however, originates in the *freedom from Kapital*, that inward sense of freedom which only an Individual can realize from within themselves. No government can bestow such freedom any more than it can claim to provide security by denying other freedoms in return. Liberal Capitalists have yet to understand the implications and they may never will.

What the government of the Socialist Nation can do is provide the legal framework by which everyone will have their Rights honored and recognized. Those same Rights are to also be tempered by the Duties of the Vocations for the citizens who partake in them. Just as every Constitutional Intent requires a Constitutional Obligation, every Right granted in the Legal Code is compensated by a corresponding Duty. For instance, the Duty of one Vocation requires that something needs to be done in a certain manner due to the nature of the Arbeit. This same Duty is attached to a Right, specifying how the Individual completes the task is left to their discretion.

There are many similar examples in which certain Rights correspond to compatible Duties. A “*Right of Religious Belief*” allows religious congregations to practice their faiths without State interference and receive State funding. That Right includes a “*Duty of Religious Engagement*” of being proactive in the affairs of their nation and continue upholding their faiths while doing so. A “*Right to Speak*” allows for freedom of conscience by those who do care about the Nation and the policies of the State. It too has its own “*Duty on the Exercise of Speech*” to ensure that whatever people will say will be helpful to the Totality, not allowing for the spread of lies and falsehoods, misconceptions, prejudices, demagoguery, slander, and calls for violent extremism.

The **Legal Code** of the Socialist Nation will have its “*Rights to Publish and Disseminate*” with their “*Duties of Honorable Coverage, Balanced Reporting, and Meaningful Discussion*,” their “*Rights of Petition, Assembly and Protest*” with their “*Duties of Preserving Peace, Order, and Civility*.” There will be “*Right to Civilian Firearms Ownership*” with the “*Duty of Ensuring Proper Handling of Firearms*,” the “*Right to a Fair Trial*” and the “*Duty of issuing Court Orders*.” There are also Duties related to the Vocation and what is expected of it, and recognition of the Rights of those involved unless stated otherwise in reference to either a related Duty or else they are actually considered as a Constitutional Obligation due to their implications.

One will notice that certain Rights internationally recognized as human rights are upheld in the Socialist Nation as Constitutional Obligations with a corresponding Constitutional Intent. Example like the “Right to Free Education,” “Right to Food, Water, Clothing, and Housing,” “Freedom from Enslavement and Forced Labor,” “Right to Healthcare,” “Right of Protection against Arbitrary Arrest and Detainment” and “Right of Protection against Torture” are examples of certain Rights that are considered Constitutional Obligations. The Totality understands their importance and the State is expected to enforce them under the rule of law.

In a functioning Council Democracy, the Totality and the State exist in mutual harmony and both are expected to ensure that everyone receives the fair treatment that they rightfully deserve. The Work-Standard will provide the State the means to fulfill those Constitutional Obligations to the Totality, expecting the same from the Self and the Totality within their own Duties and Obligations. Everything depends on the decisions of everyone involved in the affairs of the Nation to ensure that everyone else is responsible for what becomes of the Nation. That includes holding those accountable for unjustifiable actions under open scrutiny and criticism.

The fact that every Right requires its own Duty is not something that most Liberal Capitalists are willing to comprehend, let alone understand. They prefer laws that grant the most Rights for the least Duties. It is a tendency that originates from their ideology’s constant fixation on a “Freedom-Security Dialectic,” including how they have no conception of inward freedom. The conception of outward freedom as being guaranteed by Parliamentary Democracy has negative ramifications for those affected by laws legislated on behalf of parties, lobbyists, and special interests. Those with Kapital can and will subvert Parliamentary Governance to further their own private agendas. Such behavior shall never be tolerated in Councilor Governance.

The State's Educational Policies and Ranking System

This Entry will be exploring the Council State's policies on education and the introduction of a "**Social Ranking System**" to complement the political and social lives of the Socialist Nation. The revolutionization of education under the Work-Standard is predicated on the need to address the problems of educational curricula in most Liberal Capitalist regimes affiliated with the OECD (*Organisation de Coopération et de Développement Économiques*; Organisation for Economic Co-operation and Development), the Western Bloc equivalent to the Eastern Bloc's CMEA (Council for Mutual Economic Assistance). What passes as an 'education' in these "**OECD-Type Student Economies**" is at best a Commodity and at worst a clandestine form of Totalitarianism, what Mary Perkins Ryan described as a "**Custodial-Care Function**" in her 1972 manifesto, *We're All in This Together*. A disproportionate majority of what passes as 'educational curricula' is theoretical knowledge, offering very little opportunities for young people to gain practical experience. It is discernible in the secondary level education—'high school'—since all curricula are intended for later entry into the tertiary or university level, where Kapital reigns as "student loans" and "job opportunities" to pay off the Schuld. And it becomes even more obvious when people enter the workforce with an astounding lack of practical experience to apply for even the most menial and boring of entry-level jobs.

Anyone who has attended a school or university in an OECD member-state during their teenage and young adult years knows how uninteresting it truly was. Anyone can deny it with rose-tinted glasses and let nostalgia serve as their opiates, but no form of escapism lasts forever. School life for most young people is like a poorly-written "**Bildungsroman**," a corny coming-of-age novel where they undergo enough character development to demonstrate their personal inability to deal with the real world. Those Western young adult novels and film adaptations and Japanese anime, manga and light novels are all one and the same insofar as they describe the educational curricula of OECD member-states. Recalling one's own young adult years and familiarizing oneself with the average school life of most young people is just the first step.

An average teenager's school life will have various classes that are only there to inform them of theories about the world without any reference or relevance about why the world exists as it does. Their peers may be pressured into taking courses which will not help them later in life, but they must take it in order to ensure it looks great on their student transcript as "college credit." The teachers may not be involved in the students' school life as a Vocation but because somebody needs to look after them while their parents are away. Without those teachers, a teenager's school life resembles their country's Parliament, except the students are not brawling over cutting or increasing taxes or deregulating regulations for this and that corporate lobbyist.

Students at the secondary school level under Liberal Capitalism lack the Will-to-Power, complete with the Intents, Obligations, Duties and Rights of a Socialist Nation. Rather, they only have the illusion of power that causes them to rebel against their parents and their teachers. There is no opportunity for the teachers to instill within their students the Intents of Command and Obedience and the concept of Command Responsibility like the kind for prosecuting war crimes, which finds its greatest relevance in "the talk" of any sex education curriculum. Just as how a girl says "no" to the unwanted sexual advances of her boyfriend, the superior is responsible for issuing direct orders which conflict with the morality of their subordinates when they say "no."

Sometimes, one may encounter increasing difficulty finding any free time to spend on Socialization in the Socialist sense. What could have been spent on Socialization is spent on afterschool clubs and activities that resemble the lobbyists and special interest groups of

Parliamentary Democracy, never to expand beyond anything resembling an actual Vocation. Afterschool sports resemble more like an illegal prize fighting ring where animals (or in this case, people) compete for the Kapital of higher educational scholarships and trophies. And a student council offers its members the illusion of political power but not the Will-to-Power, regardless of the student council being governed as a Parliamentary Democracy or a Council Democracy.

When the school life ends, people will begin to struggle with what they want to do in Life; one does not need to look very far in order to understand the post-graduation implications. It manifests itself within the “Economic Darwinism” among the so-called ‘Baby Boomers’ and ‘Millennials’ on the one hand and the ‘Generation X’ and ‘Generation Z’ on the other. Actually, the intergenerational struggle is about as real as Neil Howe and William Strauss, the authors of *The Fourth Turning*, convincing others like Steve Bannon to believe that it ought to become real. Howe and Strauss were the ones who coined the term ‘Millennial’ to refer to people who came of age during the Reagan Revolution of the 1980s and the skewed belief that these people will become the next ‘Greatest Generation.’ This “Generational Theory” of fifty years of ‘Communitarianism’ and fifty years of ‘Individualism’ is more of the same problem with theories defining actuality. Theory can only explain what is happening, not what shall or what ought to happen. Thus, when the Millennials fell short of expectations, that “Generational Theory” was later ‘revised’ to include Generation Z on the premise that Generation X is somehow less like the Baby Boomers.

Such a ‘Theory’ can only become real in the post-graduation life of the youth because it is never validated in any actual school life. Most spend their adult years adrift in apathy and nihilism. There are those who landed in what they thought was their ‘dream job’, only to find out that it was not and became miserable in the process due to the Meaningless Work. Some languish in a state of “Extended Adolescence,” a condition best encountered in Psychology by focusing on how it plagues the ability to act as an upstanding adult. And then there are those who kept on “building their career” and end up experiencing an existential mid-life crisis by their thirties and forties; if they get involved in Parliamentary governance, they demonstrate their willingness to be sellouts for lobbyists and political parties. It becomes even more problematic if they happen to be married with children and have yet to pay the Schuld from their former school life.

For the Work-Standard and the Socialist Nation, these problems which plague Liberal Capitalism are another set of obstacles to overcome. The State’s workaround must begin with realizing that the Vocations integral to the VCS Economy require a different educational system where a Vocation may begin as early as secondary school. After all, how many teenagers under Liberal Capitalism find menial jobs to earn Kapital if their parents do not give them allowances?

It is possible for the Socialist Nation to implement an educational system where the “Student Body” of the secondary and tertiary educational levels, aged between 14 and 34, will be learning, studying, training and practicing for their Vocations. Here, the Student Body builds important social skills and forge lifelong comradeships as members of their “Socialist Student Economy (SSE),” allowing everyone to hone their skills and have lasting experiences with their peers, their Comrades, before “Graduation.” The SSE shall instill into each Student the genuine assurance that everyone has latent potential that has yet to be unlocked as Individuals. Everyone has something meaningful to fulfill for the Socialist Nation, the Socialist Nation itself expecting the Student Body to live their lives with purpose and meaning. There will be the usual free time after school and countless opportunities to integrate the curricula into youth gatherings, field trips to summer camps, and extracurricular activities that can translate into future Vocations.

There will be outstanding school uniforms (Prussian-style, not English-style as has been the case with the Japanese and their educational system) and youths earning medals,

commendations, promotions, and prizes from the State. These important facets of every Student's school life can be accommodated as early as their secondary school years, thereby reserving the childhood years for the basics that are unfortunately still being taught in Liberal Capitalist secondary schools. And it can even be done while ensuring that the religious schools will be integrated into the SSE through special arrangements made between the State and the Church. Truly, the SSE represents the realization of Mary Perkins Ryan's "*Total Educational Effort*," brought to life by the State of Total Mobilization.

The *Total Educational Effort* is defined by the Socialist Nation's ability to ensure that the Student Body, the next generation, receives the necessary training and education to build their futures. Each Student needs to be able to support themselves and become upstanding, law-abiding members of the Totality. *Graduation* in the Total Educational Effort differs from the Liberal Capitalists' Custodial-Care Function because, prior to completing their secondary education, every Student is to be presented with four choices:

- For Students interested in graduating immediately, they are welcome to join the Vocational Civil Service (VCS) to begin their Vocations in the VCS Economy or Council State, the latter of which will include the armed forces, emergency and social service professions as one of their viable options.
- For Students not interested in graduating, they are allowed to continue their education into the tertiary level by enrolling in the University, its educational curriculum building upon everything that was learned previously at the secondary level.
- For Students still undecided on what their Vocation shall be *and* have yet to join the VCS, the State or continue their education at the tertiary level, they are entitled to receive a Draft Card from the State and be conscripted into either the workforces or the armed forces.
- The rest of the Student Body will be deepening their overall participation in the SSE by engaging in the political-economic, socio-cultural, military-industrial, diplomatic and educational functions of their "*Student Government*." Even working and studying abroad is also covered under this particular category.

In the Socialist Nation, not every Student's Vocation is going to be found in the VCS Economy, the Council State and its Financial Regime. There will always be other opportunities to find Meaningful Work in the Work-World at the Student Government. One could envisage the fourth choice complementing the previous three choices since the Students opting for Student Government have Vocations related to important administrative and leadership positions in the Council State's Central Government.

The Student Government will be patterned after the same Councilor Governance as the rest of the Socialist Nation, its leadership split between the "*State Functionaries*" and the "*Youth Leaders*." The State Functionaries are older adults whose Vocations are related to the teaching and intellectual Professions under the auspices of the State's Ministry of Education. Youth Leaders are the younger adults who are part of the same generation as the Student Body, the Student Body itself having elected them to serve in Student Government positions like the "*Student President*," "*Student Chancellor*," or "*Student Ambassador*," with those three having their own chairs at the "International Student Assembly" in the World State Organization (WSO). Unlike the State Functionaries, all positions filled by Youth Leaders in the Student Government have an attached "*Generational Term Limit*." A Generational Term Limit reminds all Youth Leaders that their involvement in the Student Government was meant to train them in the arts and techniques of political statecraft and economic governance, both of which are sorely lacking in most Liberal

Capitalist OECD-Type Student Economies. Therefore, once a Youth Leader turns 35, they will no longer be eligible for reelection once their term ends as part of their Graduation, allowing them to become eligible for important administrative and leadership positions in the central government.

But the Total Educational Effort was never fully realized among the historical and existing Socialist countries, as so much was being devoted to theory just like in most OECD-Type Student Economies. That will change once the Work-Standard becomes capable of paving the way for a worldwide revolutionization of national education systems and their nation-states. It is precisely in the SSE that a Social Ranking System can be implemented, beginning at the secondary educational level and continuing to remain relevant long after Graduation. These “Social Ranks” are formal titles which are to be conferred to each student’s “Service Record” once begin secondary education. This Rank may apply on a general level but will eventually be reapplied to the Ranks of their Vocations as they get older. Higher Ranks translate into eligibility to apply for certain special activities which normally would not be available like borrowing Work-Tenures.

Examples of this can include eligibility to become a delegate for their local council, regional and eventually State Council, and even become the next Heads of Government and State (the terms which determine how long they are in power can only be changed with the State Council’s approval). It is the eligibility to enter the rigorous university curriculum of economic planners, a Vocation in the Central Bank, Kontore and State Commissariat, and applications in student entrance exams for governmental positions within the central government. It can be the ability to make loans from the banks, receive a large amount of Geld as part of a Stipend if their Vocation requires one, and also determine their place within the Paygrade Scale when Paygrades are wired to their personal accounts each week. It can also involve the opportunity to be in a teaching, training or instructing profession and the ability to have greater clout in the political affairs of the State through selfless civil service. The State shall update the Ranking System as young people enter the workforce as their formal rite of passage into adulthood so that the elderly can retire peacefully. In general, those who contribute the most Arbeit from within the profession of their chosen Vocation have the potential to be entitled for receiving higher Ranks.

This Ranking System cannot be organized in a manner comparable to Prussia’s “Three-Estate Representation System,” the PRC’s “Social Credit System,” or a “Credit Score System” found in most Liberal Capitalist regimes. All three are Ranking Systems influenced by Kapital and thus can provide the grounds for the mass surveillance of personal lives. Such measures are always justified by the presence of Schuld created from the proliferation of Kapital in economic life. Everyone still has a Legal Right to Privacy under Socialism, just as they also have a Legal Right to make a name for themselves and to be proud of their newfound reputation.

State Issuance of Medals, Awards, Commendations and Promotions

This SMP Compendium Entry will discuss about the distinctions between how Ranks are conferred under Liberal Capitalism and how they are done under Socialism. It will delve into the details of the motivations driving Consumerism and why this sort of behavior is going to eventually be curtailed under the Work-Standard as the Keynesian model of Consumer Spending falls with Government Spending. While multiple SMP Compendium entries are discussed here, the general theme remains the same.

Arbeit is always a misfortune in everyday life under Liberal Capitalism. This is because the ideology knows no distinction whatsoever on “what is Meaningful Work?” and “what is Meaningless Work?”. Liberal Capitalism deems *Arbeit* itself as a means to the end, the end being the Accumulation of Kapital within the Total Mobilization of Production for *Profit*. Every conceivable means of garnering the most Kapital, whether it is legal or even illegal, are justified by that ideology. There are many different examples and all of them are intended as part of denoting somebody’s Rank in a Market/Mixed Economy and Parliamentary Democracy.

There may be people conjuring up plans on how to “retire early” with the greatest amount of Kapital by their thirties (at the earliest) or their fifties (at the latest). Some are trying to “save enough Kapital for retirement” as a pensioner, a lifestyle choice promoted by Social Democracies with generous Welfare Capitalist programs like France or Sweden. There may be people who flaunt how much Kapital they have and look down on others with less Kapital. If that same analysis was done by a think tank or propagandist for Liberal Capitalism, the analysis will consistently assume that those with less Kapital are ‘lazy’, are ‘unwilling to work’, and are ‘welfare queens’ dependent on the ‘nanny state’. This sort of language exposes how much Liberal Capitalism relies on a freedom-security dialectic, even though true freedom and security dwell within oneself.

Some SMP Compendium Entries cover this recurring theme from various points of view. In Part II of “Taxation and the Work Standard,” one may find Marxist Socialists and some non-Marxist Socialists speaking of “Wealth Inequality” and advocating for policies like Progressive Taxation to receive the most pleasure in inflicting the most pain on the wealthy. In “Japan’s Lost Decades and the Rise of Zombie Firms and Zombie Banks” as well as “Financial Markets and the Kontore,” Investors at the Financial Market will invest into something that they believe will reap the most Kapital, even if it causes an economic bubble. Previously, in “State Educational Policies and Ranking System,” it can manifest among young people as a misguided desire to take on certain jobs which they are unqualified for insofar as their real motivations are driven by Kapital. In “CMEA’s Fixed Exchange Rates and its Hard Currency Shops,” Kapital will bring down Socialist nations with Currencies unpegged to the Work-Standard.

In Part III of “Taxation and the Work-Standard,” Kapital influences how young men and women interact with each other outside the workspace and even when they become engaged (and an overriding factor in their marriage if it ends in a divorce as the custody of their share of Kapital). And in “Productive and Personal Properties,” it should be noted that someone’s Social Rank under Liberal Capitalism is usually denoted by their “Net Worth,” “Private/Common Property,” “Commodities,” and LCFIs (Liberal Capitalist Financial Instruments) like ‘Blue Chip Stocks’ or ‘AAA Bonds’. To understand how the concept of Rank coincides with Property, please consult that entry for further information.

Since the world order remains under Liberal Capitalism or else under the subversive influences of this ideology, it can be argued that a sizeable majority of humanity encounters countless different examples of Kapital and Schuld being the decisive factor of daily life. One may be inclined to agree with Mark Fisher in *Capitalist Realism: Is There No Alternative?* about how “it is easier to imagine an end to the world than an end to capitalism.” But propaganda is propaganda insofar as advertisements manipulate authentic choices through exposure imposing the false need to display one’s social status. This particular way of determining Rank based on somebody’s purchases of certain goods and services by means of Consumerism and Consumer Spending is not new. The American economist and sociologist Thorstein Veblen around the turn of the 20th century once described this phenomenon as “Conspicuous Consumption.”

Conspicuous Consumption describes any act of purchasing specific goods and services that are deemed “luxuries” with the intent of determining somebody’s Rank vis-à-vis Kapital. If someone is able to freely spend large sums of Kapital, the conventional response is to assume they either have a lot of Kapital or else can borrow the same amount from a bank with a high Credit Score. Just as one can pay with actual banknotes and coins, one can also pay with credit cards and cryptocurrencies such as Bitcoin or Ethereum. The real problem with Conspicuous Consumption is whether the choice was the product of somebody’s own volition or whether it was the result of exposure to advertising and the social pressures of conforming to Liberal Capitalist ideology. Under Liberal Capitalism, not every choice in economic life is going to be their own nor will those choices genuinely reflect their real Social Rank.

Thus, it begs the question: how does one distinguish between the purchases from authentic choices and those from inauthentic choices vis-à-vis the Work-Standard? Are there any discernible differences in the VCS Economy, where Arbeit and Geld are the decisive factors in everyone’s Vocations? If so, how does one know what those differences are and why does this necessitate the implementation of an official Social Ranking System by the Council State?

Imagine someone with \$100,000,000 USD in Kapital. They might spend it on their personal needs and they may decide to spend some of it on taxes, insurance, mortgages, loans, and others that are characteristic of Liberal Capitalist finance. They may be exposed to certain advertisements on any mode of communications or exposed to stories of those wealthier than they are and may be compelled to spend Kapital, informing others why they own \$100,000,000 USD.

An example might be a “Black Diamond iPhone” for \$15,000,000 USD, which is only expensive because its appearances appeal to those with Kapital. It could be a \$10,000 USD three-piece business suit or a limited-edition, high-performance sports car like a Bugatti for \$750,000 USD that looks nice, drives fast and is very impractical. They may decide to purchase a yacht, complete with a small crew and sail up and down the coastline against a late afternoon sunset. They might be interested in hand-rolled Cuban cigars or Persian rugs because of their Scarcity due to US-led Economic Sanctions against Cuba and Iran respectively. Scarcity also affects the Conspicuous Consumption of Kapital on decades-old champagne and whiskey. They may decide on vacations in other nations and stay at the presidential suite in the luxurious hotels at their capitals. They might buy a bar of fine gold, a golf course or even a centuries-old painting by an artist with actual talent and whose Vocation actually provided them Meaningful Work.

There are as many possibilities of Kapital being spent to demonstrate someone’s Rank under Liberal Capitalism as there are people willing to bear the burdens of their own Schuld to chase after the most Kapital. To know Conspicuous Consumption is to realize that all of those preceding examples operate according to a Theory of Value and a corresponding Theory of Money. Since the Work-Standard relies on its own Theory of Value and its own Theory of Money, it is

inevitable for the State to eventually introduce a Ranking System, complete with medals, decorations, commendations, promotions and prizes. The State should implement this Ranking System in the Socialist Student Economy (SSE), beginning with the young adult's school life and continuing well into their later adult years.

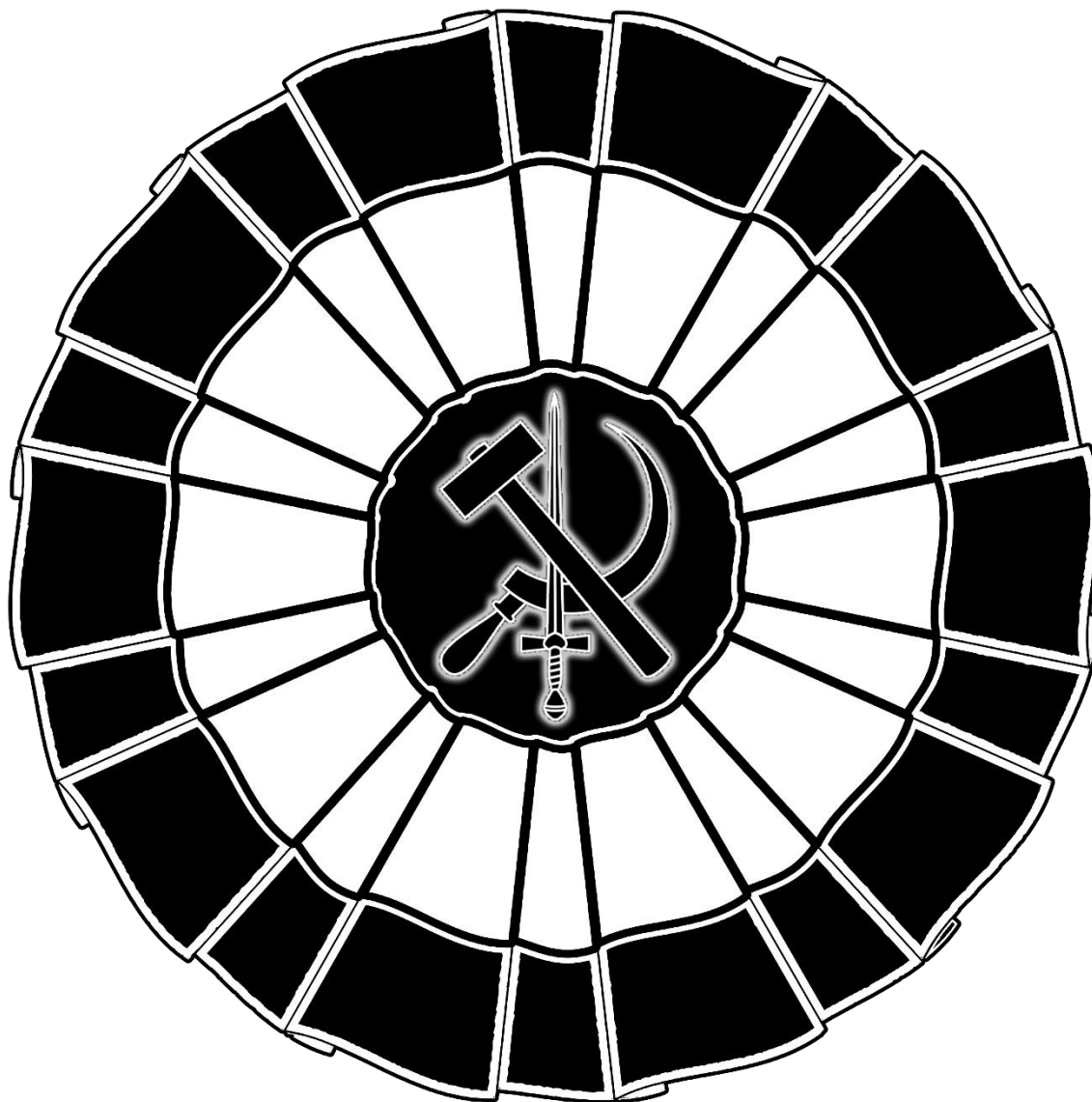
The adolescent recipient attends a formal ceremony with their peers and classmates in attendance. They will step forward to receive their medal. The medal, stored in a display case and held by a member of student council, may take on the form of a metal badge related to their service within another profession besides their own or as part of their profession within a Vocation. There could be gradations, as many as three different classes. It could be a medal related to an annual vocational competition within their own Vocation, a proficiency badge related to their Vocation or as part of experiences with their peers within youth gatherings at a regional summer camp, and even a special decoration worn around the neck in recognition of exceptional achievements.

That same badge within the same display case may include a letter designating their promotion to a higher Rank and signed by one of the State functionaries supervising the affairs of the SSE. Other decorations may denote the exceptional entry into a secondary profession besides their own. If this same teenager continues with their Vocation for the next four, five, ten, twenty, twenty-five or even thirty years, they may be awarded long-service awards and their corresponding ribbons. If they are for instance a teenage girl, a foreigner or a member of a certain religion, their decoration could be a unique award that distinguishes them for their service as part of their SSE. Also, those distinguishable decorations could be related to environmentalism or achievements within certain fields like technology or governance.

The display case may instead contain a letter of commendation from the State functionaries overseeing the affairs of the SSE. Or, rather than a member of the student council handing them a letter, the State functionaries themselves award the recipient with a special commendation medal that the State awarded in recognition of their exceptional talents as a way for them to be an example for their peers and underclassmen to emulate. If they make outstanding achievements like the most contributions of Arbeit within the limitations of their own profession or under specific historical events, special decorations and medals may be awarded for their participation. Should that happen, the ceremony will become more formal for everyone involved and the Ranks of the State functionaries conferring the award will be higher.

Finally, the State may confer onto the teenage recipient certain prizes that may be related to their Vocation, their achievements demonstrating contributions to the SSE and the VCS Economy. Ornate ceremonial swords and daggers, silver and gold goblets as trophies, and certain custom-built technologies that distinguish the recipient from the rest of their peers. These prizes are rare occurrences and will always be limited by the State. In fact, these prizes could be part of international competitions and youth sports gatherings as part of a Socialist world order. That sort of thing could happen, and the Work-Standard is more than able to facilitate it. Whatever happens here is going to make a difference in the service record of this aforementioned teenager. They will carry their Rank later in their life until they finally receive the next highest Rank. And if their medal is also awarded to older adults by the State, it will further distinguish their service record.

Section five: The financial Regime



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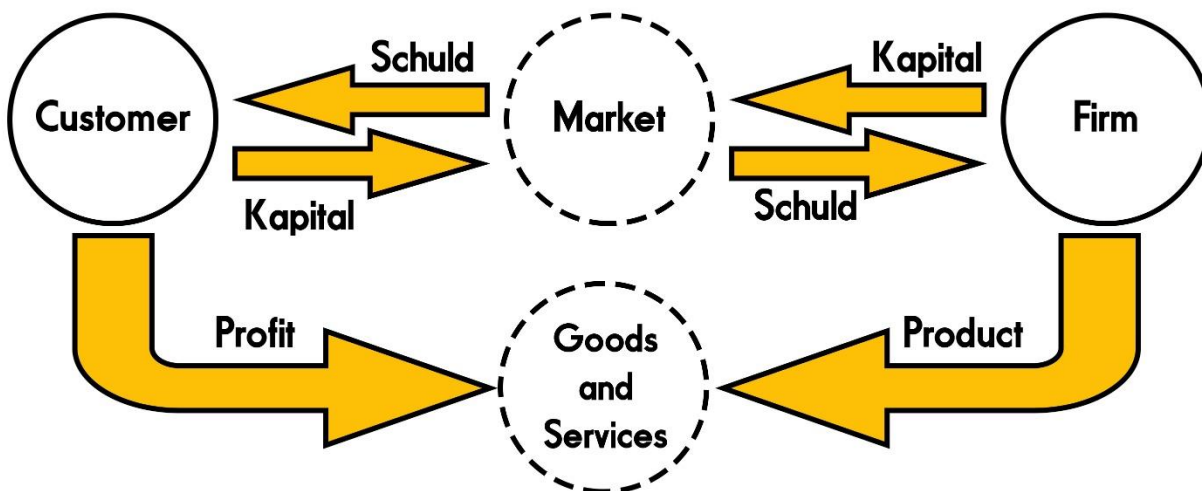
State of Total Mobilization

The 20th century witnessed revolutionary changes in every facet of life for all nations. Its influences still persist in the 21st century. The most important development has been the recent emergence of the “State of Total Mobilization,” a metaphysical concept derived from the thesis of Ernst Jünger’s 1930 essay “Total Mobilization” and its 1932 sequel, *Der Arbeiter*. The rapid technological advancements of the Western world since the 20th century is setting the precedent for the creation of a different way of life capable of overcoming the Enlightenment’s “State of Natural Rights.” If the State of Total Mobilization defines everyday life under Pure Socialism, then the State of Natural Rights characterizes everyday life under Liberal Capitalism.

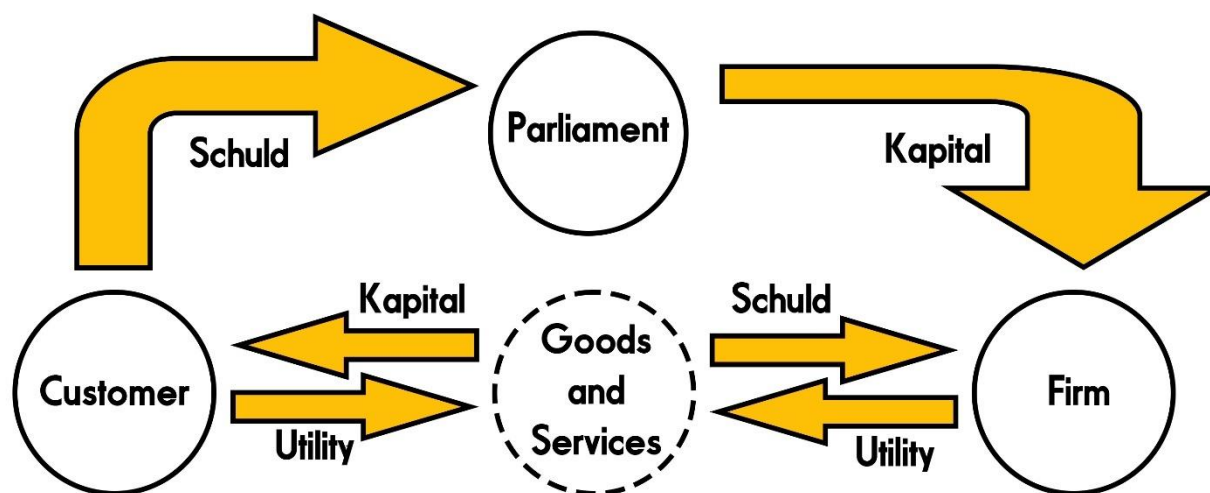
Modes of Production

Both metaphysical concepts are distinguished by how everyday life operates and how they affect the perceptions, customs, norms, and attitudes of whole nations. The State of Natural Rights originated in the Enlightenment and has been struggling to maintain its dominance in the Western world against the State of Total Mobilization since the Industrial Revolution. The 20th century saw the two metaphysical concepts at war, their conflict manifesting itself in the geopolitical conflicts of that century. Little changed in terms of the Modes of Production guiding each nation.

A Mode of Production is an umbrella term referring to the methodology behind the implementation of national fiscal and monetary policies vis-à-vis its national economy and financial regime. This methodology, all of which will be covered here over the course of the Section, are related to familiar concepts like employment and property rights, financial institutions and financial instruments, taxation and banking practices, economic planning and wartime preparations. Two more important factors, both of which are topics of interest in Sections Six and Seven, include international trade and technology. There are three known Modes of Production: “Production for Profit,” “Production for Utility,” and “Production for Dasein.”



Author's Diagram of Production for Profit. Kapital Accumulation occurs from the production of goods and services for sale a Market, where the Customer purchases them from a Privatized Commercial Firm with Kapital, Schuld or both. The economic activities of most Market/Mixed Economies operate under these parameters.



Author's Diagram of Production for Utility, as it appears in most Market/Mixed Economies. Unlike in Production for Profit, where the Market acted as the intermediate between the Customer and the Privatized Commercial Firm, Parliament acts as the intermediate for a number of "public utilities." The Customer and Firm get the Kapital and Parliament gets the Schuld in all of those transactional sales.

Unlike Production for *Dasein*, mainstream Neoclassical Economics has shoehorned most forms of political-economic governance into either Production for *Profit* or Production for *Utility*. Conventional perceptions of Liberal Capitalism and Socialism are still framed this way. Market/Mixed Economies emphasize Production for *Profit* vis-à-vis the Profit Motive and Kapital Accumulation. Historical and existing Planned/Command Economies emphasize Production for *Utility* for two reasons. The first factor is the attempt to avoid Kapital being the overriding purpose of economic life. The other—and this is where the pressures of market reforms appear—is the tendency to perceive everything based on their Use-Value with a skewed Exchange-Value.

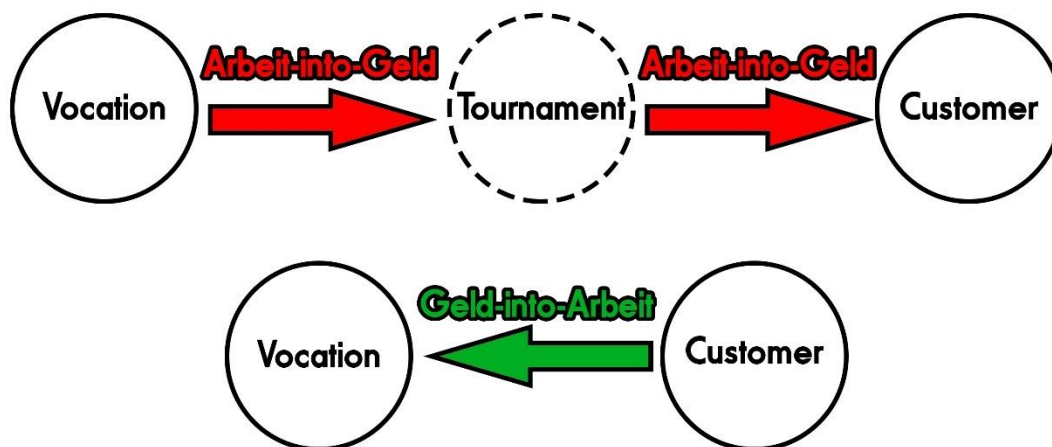
Granted, Ludwig von Mises and Friedrich von Hayek understood the significance of Use-Value and Exchange-Value in their "Economic Calculation Problem," but so did Jünger and Martin Heidegger in an entirely different, albeit intimately related, question altogether. The latter is only possible because of Heidegger and von Mises' philosophies basing their own logic and ideas on the phenomenological philosophy of Edmund Husserl, which focused on the study of human perceptions, expectations and experiences. The real distinction was that von Mises and von Hayek relied on Praxeology within their Economic Calculation Debate. Heidegger and Jünger employed Psychology in their analysis of economic life as they *never* defined Total Mobilization with terms like *Profit* and *Utility*, regardless of wartime and peacetime conditions.

If the State of Total Mobilization is not defined by *Profit* or *Utility*, and the VCS Economy does not rely on Kapital but a Currency pegged to Arbeit, why would the Work-Standard sidestep the Economic Calculation Problem with a more appropriate equivalent called the "**Political Organization Problem?**" How is that possible under the Work-Standard? And why would the Reciprocal Theory of Value (RTV) and the Work Theory of Money (WTM) even permit it?

Simply put, RTV and WTM both reject Use-Value and Exchange-Value. From Aristotle and Adam Smith to Karl Marx and von Hayek, it is often assumed that the Use-Value is a given. After all, people are going to buy certain goods and services over others. Whereas Marx deviated from the conventional wisdom was to only cast doubt on the Exchange-Value, he never rejected

the Use-Value because it was deliberately assumed to be a given. Marx argued that the Kapital within Exchange-Value undermined the social relations of production for the Proletariat, creating the conditions conducive to the “Alienation of the Worker.” He was convinced that if Kapital disappeared from economic life under Socialism, everything could be conducted on the basis of calculating vast quantities of goods and services and judging them as either ‘useful’ or ‘useless’.

But this sort of logic yields the same problems as the US Taxation System, which the Work-Standard deems as redundant and haphazard from the standpoint of Alexander Hamilton and his *Federalist Papers* on Taxation. The choice between “to give Pain and receive Pleasure” and “to give Pleasure and receive Pain” remains constant, except it no longer involves IRS Income Tax Brackets. Instead, it resembles more like the Soviet Gosplan setting production targets and quotas within the framework of a Five-Year Plan, resetting production figures higher and higher without bothering to figure out what is happening downstairs. Everyone gives to everyone else the Pain of creating advertisements for products that neither exists nor anyone wants, receiving the Pleasure of visiting a supermarket to find all the shelves bare and the unwanted goods untouched. Everyone receives from everyone else the Pleasure that comes with the opening of a McDonald’s at Pushkin Square in Moscow, giving back the Pain of waiting in the long line outside and having to serve all those people inside. Never mind the fact that not everyone’s orders are going to be the same.



Author’s Diagram of Production for Dasein, as it occurs in the SSE, VCS Economy, and National Intranet. The Work Theory of Money (WTM) stipulates that Vocations are attached to specific Professions, Enterprises and Industries that constitute the Domains of the Work-World. They create Arbeit from the production of goods and rendering of services to the Customer, who purchases them with Geld. The Arbeit goes the Life-Energy, the Geld from the transactional sale to the Vocation involved.

Therein lies the real distinction which set the VCS Economy apart from the competing Planned/Command Economies not relying on the Work-Standard. Removal of Use-Value and Exchange-Value is only the first step. Something else needs to replace those two and Heidegger himself already elaborated the details in the pages of *Being and Time*. Rather than a Use-Value, there is a “Presence-at-Hand.” And instead of an Exchange-Value, there is a “Readiness/Unreadiness-to-Hand.” The differences may be subtle at first, but they will be obvious upon further examination.

Diamond-Water Paradox Revisited

Let's recall the Diamond-Water Paradox of Adam Smith from the context of the Work-Standard. The LER Process has Arbeit affecting the Value of Diamonds and Geld affecting the Price for those Diamonds. Where there was once a Use-Value, there is now a "**Presence-at-Hand**": people are coming up with theories, facts, opinions, and speculations about the Value of the Diamonds and in turn the Price for those Diamonds. But as Immanuel Kant maintained, there is no way for anyone to know what Diamonds are as a thing in themselves, as a *ding an sich*. Everyone only knows the outward appearances but never their real essence.

This is discernible when someone realizes that Diamonds are being needed by industries manufacturing the blades of chainsaws and the semiconductors installed into everyday electronics. Nobody in the 18th or 19th centuries was judging the Value of Diamonds on those considerations nor was anyone else in the 20th century envisaging something as small as a semiconductor. In this century, however, Diamonds are valued for the semiconductors are needed to play a video game on a gaming console or calculate the parking distance of an automobile to the nearest object. A shortage in Diamond-based semiconductors, as was the case in the Coronavirus Pandemic, is going to drive up the Price of Diamonds because everyone recognizes the functions of their effects (in the Socialist sense) or the sheer magnitude of their own existence (in the Liberal Capitalist sense).

And where there were Liberal Capitalist and Marxist interpretations of Exchange-Value, there is now "**Readiness/Unreadiness-to-Hand**." Readiness/Unreadiness-to-Hand is discernible in Work-Productivity (WP), which is related to the production process and transactional sales of a particular Vocation, Profession or Enterprise. Readiness-to-Hand occurs whenever the Vocation, Profession or Enterprise is fulfilling its Legal Duties with the Legal Rights related to its economic activities, achieving a WP value that surpasses its corresponding Work-Intensity (WI) through a combination of Force Multipliers (FMs) and the Mechanization Rate (MR).

Everyone is focused on their Arbeit by trying to harvest and refine the Diamonds needed to manufacture chainsaws and semiconductors, the latter intended for the production of video game consoles and automobiles. Everyone else is transporting the chainsaws, video game consoles and automobiles to the places where they are sold, somebody buys them, and the State receives the Geld to repeat the cycle. Meanwhile, the Central Bank is adjusting the Total Economic Potential (TEP) and Total Financial Potential (TFP), the State Banks accepting the depositing of Arbeit and the withdrawing of Geld at the end of each workweek.

If everybody values the Quality of their Arbeit, they will value the Quality of their Geld. If everybody values the Quality of their Geld, there really is no point for people to form labor unions, start labor strikes and demand even more Geld for their Arbeit or others running for the banks under Socialism. If nobody is suffering from Burnout by dying of heart failure, committing suicide, abandoning their Vocation, torching and bombing the workspace, or engaging in violent and self-destructive behavior, then the Attrition/Inaction Rate remains within normal boundaries. If everybody is reporting to their Vocations daily and finding a higher sense of fulfilling a Legal Duty that satisfies their overall purpose for existing in Life, then the Attrition/Inaction Rate is minimal. And if all of this remains constant within the LER Process, then "**Economic Socialization (ES)**" and a corresponding "**Solidarity Rate (SR)**" will ensure that everyone will find their Authentic Dasein. They have realized their Authentic Dasein within economic life as a Being-in-the-World by Being-with-their-Vocation and they are going to continue with their Vocation for much of their adulthood.

This sort of economic life does not exist in any of the known Liberal Capitalist or Socialist economies. Even if there are discernible signs here and there among both types, neither will fully

bring those manifestations into physical existence as governmental policies. It is an economy defined by Production for *Dasein*, where Authentic Dasein is the decisive factor within Total Mobilization. That economy is a Vocational Civil Service (VCS) Economy supported by the Work-Standard and sustained by a “Reciprocal-Reserve Banking System.” Truly, the Political Organization Problem is just that—‘*the Total Mobilization of Production for Dasein*’, the “Dasein Motive” compelling the Council State itself to embody the State of Total Mobilization.

The Dasein Motive

To summarize everything discussed so far, it is important to realize that the Dasein Motive replaces the Profit Motive by focusing more on the Quality of Arbeit as opposed to the Quantity of Kapital within the economic activities of a Vocation, Profession or Enterprise. Instead of an Exchange-Value and a Use-Value backed by the Incentives of Supply and Demand, there is a Readiness/Unreadiness-to-Hand and a Presence-at-Hand backed by the Intents of Command and Obedience. Given these concepts related to the Reciprocal Theory of Value (RTV), it becomes inevitable to envisage Surplus Value being replaced with “Meaningful/Meaningless Work” and Socially-Necessary Labor Time with the “Transvaluation of all Arbeit” that is determined by the State Commissariats of Wages and Prices.

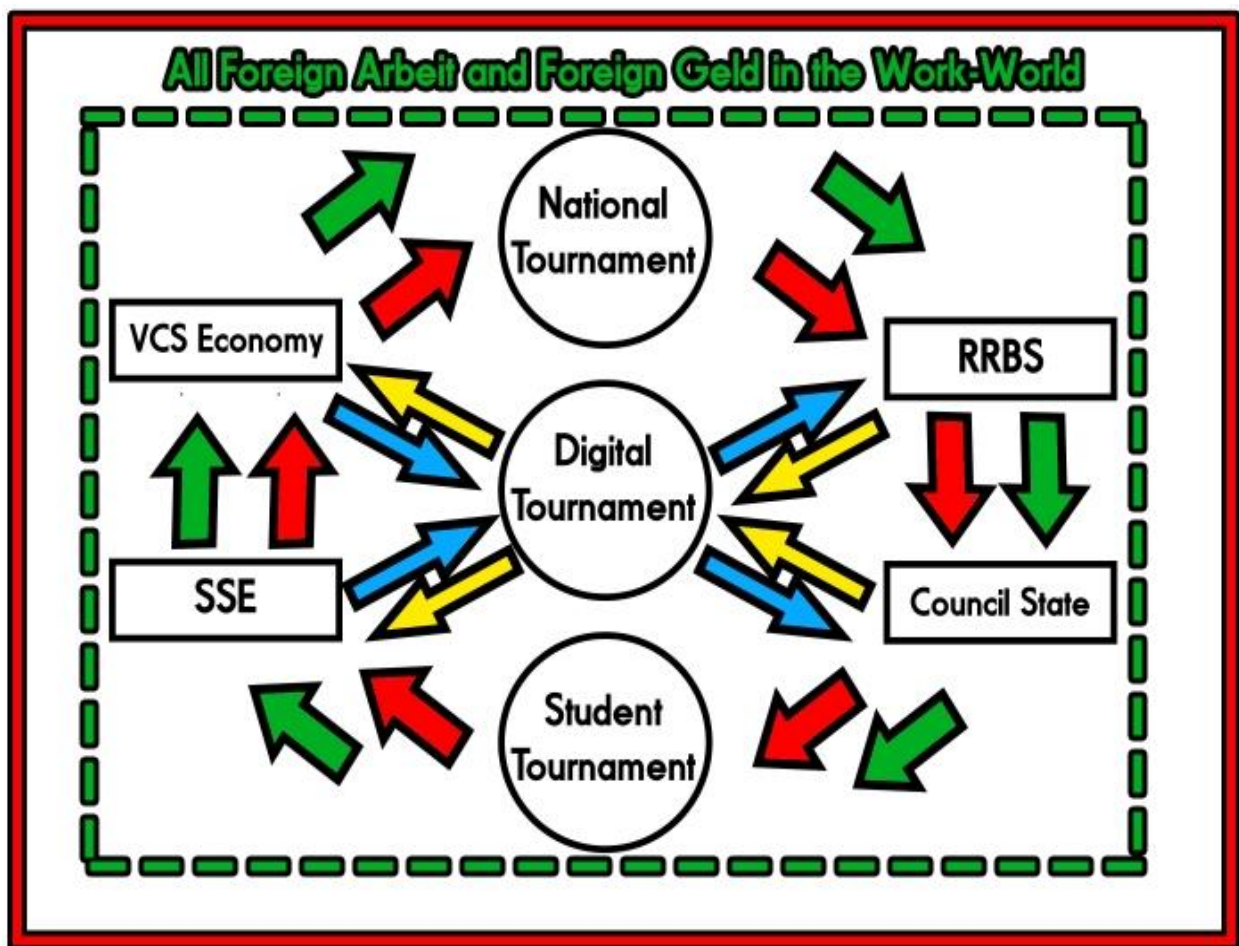
We encounter these peculiar characteristics of Production for *Dasein* in the Work-Standard’s replacements of the “Commodity” and the “Market,” the “Equipmentality” and the “Tournament” respectively. Through the Intents of Command and Obedience, we can ascertain the Value of an Equipmentality such as those aforementioned Diamonds by means of its “Reference” (Command), its “Relevance” (Obedience), and its potentiality for “Repurpose” (Intent). The National Culture provides us with the preconceived References on what can be done with the Diamonds, thereby instilling a preconceived notion of its Value. The Diamond’s Value changes based on its Relevance to the production processes of different Vocations and the possibility for the Diamonds to be “Repurposed” within other production processes.

Through the Reference, Relevance and Repurpose of an Equipmentality, it becomes inevitable to determine the Price of Diamonds as an Equipmentality by means of the Work Theory of Money. Diamond Prices in the Tournaments can be altered according to the Quality of Arbeit and the Frequency at which the Diamonds are being purchased by the Totality and Foreigners. The greater the Frequency, the lower the Quality of Arbeit and more expensive the Diamonds are projected to become at the Tournaments. The extent to which the Frequency would affect the Quality of Arbeit is also influenced by the Reference, Relevance, and Repurpose of the Diamonds.

We will explore these concepts related to RTV and WTM in this Section as well as in a later Treatise. For now, always remember that the Work-Standard relies on its own methodology to ascertain the Value and Prices of Equipmentalities as well as Arbeit and Geld. In a currency system where everything is backed by Arbeit, it becomes tenable to envisage a different Mode of Production that supersedes both Production for *Profit* and Production for *Utility*, which cannot be envisaged without the conceptual models of RTV and WTM.

Primer on Tournaments, Banking, Taxation and Welfare

Unemployment does not exist in the Socialist Nation. From the Student Body of the secondary and tertiary educational levels in the Socialist Student Economy (SSE) to the Totality in the VCS Economy, everyone is contributing Arbeit and Geld to the Life-Energy Reserve. In the VCS Economy, State and Social Enterprises from all five of its Economic Sectors contribute Arbeit and Geld by providing everything needed by the Totality. The Enterprises and Professions of different Industries compete with each other to achieve the highest Quality of Arbeit for the least Quality of Geld. Those who perform better than the competition attains the next Social Rank. For individual Vocations, the Council State confers medals, awards, decorations and promotions to the next Social Rank. The Reciprocal-Reserve Banking System, an institutional actor that has been discussed previously, is one of the topics of this Section in the SMP Compendium.



Author's Diagram of the Work-World at the macroeconomic levels. Red and Green Arrows indicate the contributions of Arbeit and Geld respectively to the Life-Energy Reserve at the RRBS. The process repeats itself at the Council State and begins anew in the SSE and VCS Economy. The National Intranet's Digital Tournament helps the Totality and State coordinate their respective activities within economic life. Blue and Yellow Arrows indicate the creations of Arbeit and Geld from NSFIs.

The SSE maintains its own Tournament, where Students are given hands-on training outside of classroom instruction at the secondary and tertiary educational level. Student Enterprises are established and maintained by the Student Government and Student Body, the Council State

encouraging Social Enterprises to transfer to Student Tournament from the VCS Economy's Tournament and become Student Enterprises. Some popular examples of Student Enterprises include Cooperatives, Small Businesses, Workshops, Department Stores, Supermarkets, Antique Stores and Second-Hand Stores. Any Social Enterprise that decides to transfer to the Student Tournament from the VCS Economy's Tournament will receive State Investments from the Council State to facilitate their conversion into Student Enterprises.

The National Intranet of the Socialist Nation, where Digital Enterprises contribute Digital Arbeit and Digital Geld through the LERE Process, also has a Tournament. This Digital Tournament is capable of providing the VCS Economy's Tournament and the Student Tournament without additional sources of Arbeit and Geld for Economic Socialization (ES). Digital Enterprises interact with the Totality and any Foreigners who have accessed the National Intranet from the International Internet, which can be facilitated by special "Internet Cafés" subordinate to "Intranet Service Providers (ISPs)." The Digital Tournament is presided by the Social Forums in the National Intranet, with other Digital Enterprises operating along the digital borders of the National Intranet. Overseeing the production processes and the transactional sales of the Digital Enterprises that operate in the International Internet are the "Social Courts."

In the Household, there is "Heimarbeit" (Homework or 'Work-from-Home') being done by those who do not have to commute to the workspace. Every Household is capable of sustaining the VCS Economy's Cottage Industry, which sells its finished products to all three Tournaments. Special facilities can be established by the Council State to enable the Cottage Industry to contribute Arbeit and Geld, thereby staying in the Work-World. Municipal Governments offer "Shopping Arenas" for State, Social and Student Enterprises selling goods and services. They can construct "Shopping Arena Transit Hubs (SATHs)" near important mass transportation systems such as railways, highways, seaports, and airports. Regional Governments are capable of building the exclusive "Shopping Citadel" for the SSE, VCS Economy, Reciprocal-Reserve Banking System, and National Intranet. State, Social, Student, Digital and even Digital Enterprises are capable of operating in these Shopping Citadels.

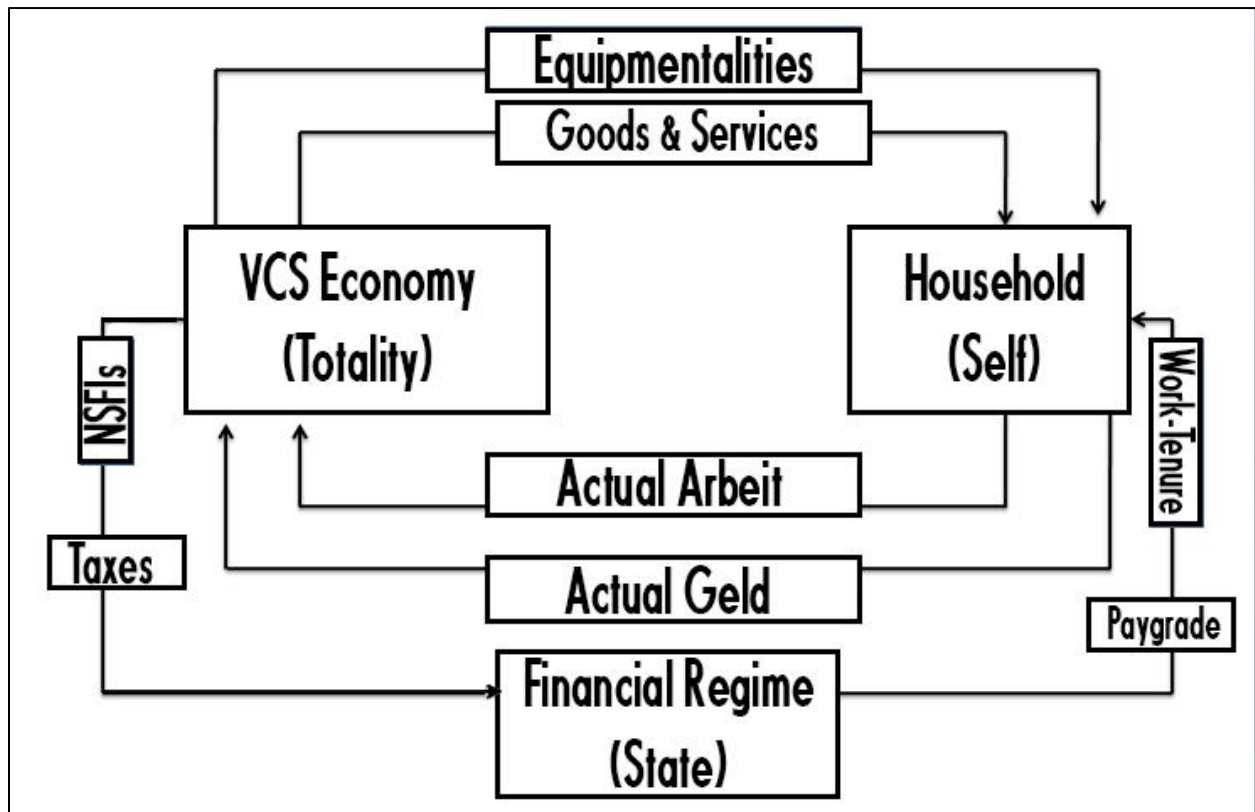
The Military-Industrial Complex and the Armed Forces of the Socialist Nation are main contributors of Military Arbeit and Military Geld to the Life-Energy Reserve. They represent additional sources of Arbeit and Geld that can be obtained from non-civilian activities. The extent to which the Military-Industrial Complex and the Armed Forces contribute to the Life-Energy Reserve is dependent on how willing they are to disclose their activities to the Central Bank. There can be occasions where even the Central Bank needs to be left in the dark due to the sensitive nature of research and development projects and classified military actions. The Council State's Ministry of War may sustain itself with as much Military Arbeit and Military Geld as it is willing to disclose to the Central Bank.

The Central Bank, at the behest of the State President and State Council, presides over the Reciprocal-Reserve Banking System's two main financial institutions. The Kontore (Financial Offices) are responsible for the issuances of National-Socialized Financial Instruments (NSFIs), which can be purchased alongside a Service Fee and after attaining the prerequisite Social Rank. The Social Rank requirement is low enough to allow even Students from the SSE to acquire NSFIs and even issue them for their Enterprises. The Council State's Central Government, Regional Governments and Municipal Governments also issue their own NSFIs for those interested in furthering the aims of Council Democracy. A later Entry in the Section will provide more information on the various NSFIs that can be offered by the Kontore.

Besides the Kontore, there is always one NSFIs that will always be well-known and well-understood by the Totality. While State Banks are responsible for the conduct of Mission-Type Economic Planning (MTEP), the National-Socialized Banks are the only financial institutions to lend Work-Tenures to potential borrowers. Work-Tenures are Interest-free loans where the lender gives the borrower a fixed sum of Actual Geld, which must be paid off through the contributions of both the borrower and the lender. The borrower pays off half, the other half by the lender. The borrower either breaks even or contributes more Arbeit than the Geld they had borrowed.

Prices of goods and services in the Tournaments are decided by the State Commissariats, which function akin to courtroom proceedings. A Superintendent is in charge of a State Commissariat whose jurisdiction covers that of a Regional Government. Each State Commissariat is headed by State Commissars, maintain local branches inside Shopping Citadels, SATHs and Shopping Arenas, and have Inspectors assigned to all Enterprises within its jurisdiction. The State Commissariats determine the Price of goods and services as well as the Paygrades of the Totality with the support and recommendations of everyone working at the Enterprises in their jurisdiction.

Weekly Paygrades are officially established by the Council State and implemented by the State Commissariats. State Commissars have their Inspectors consult the personnel of every Enterprise in their jurisdiction to determine how much Actual Geld should they be receiving each week. The information is related to the State Commissars, who set the rates and get them approved by the State Delegates of the State Council. The State Council, backed by a Constitutional Obligation and Constitutional Intent, allows each State Commissariat to decide the Paygrades based on the criteria that it has established in its own legislation.



Additionally, all Vocations in the Socialist Nation are entitled to receive their Paygrades at the same rates according to an **"Income Bracket"** established by the State Commissariats. All State

Commissariats will establish the official rates, submit them to the State Council, where it will be approved by legislation and signed into law by the State President. Women will receive Paygrades at the same rates as men until marriage, which will be combined with the Paygrade of their spouses. Each Paygrade is designed to render redundant the need for minimum wage, sick pay, vacation pay, and maternity pay because all of those are already integrated into the Paygrade.

How much somebody receives in their Paygrade is dependent on their Social Rank, number of dependents and the years of service to a single Vocation. Everyone continues to receive their Paygrades each week until they no longer have a Vocation. Anyone who ascends to a higher Social Rank will receive more Geld in their Paygrades by the Council State. Conversely, anyone who for whatever Intent was demoted to a lower Social Rank will have less Geld in their Paygrade.

There are few taxes in the Socialist Nation. Under normal conditions, the Totality gets to keep whatever Actual Geld it receives in the Tournaments through transactional sales. Most State and Social, Student and Digital Enterprises will reinvest that Actual Geld to continue their production processes, with the Council State allocating their personnel the weekly Paygrade based on the recommendations of the State Commissariats. All Enterprises in the SSE, VCS Economy and National Intranet are required to maintain a minimum amount of Actual Geld in their accounts as part of their economic activities. The Council State has a Constitutional Obligation to allocate additional Actual Geld from its own State Budget to all Enterprises as needed.

The Council State may issue “Stipends” on top of someone’s Paygrade. A Stipend refers to a fixed sum of Actual Geld that can be allocated to a specialized Vocations related to creative works of art. The most important recipients are those involved in State Media, Social Media, and Student Media because those Vocations need additional Geld to commission works of art. It is up to the State Commissariats to set the official rates for the State Council.

Education, childcare, healthcare, housing, transportation, water, electricity, fuel, and infrastructure are all provided to the Totality by the Council State. The Council State allocates much of the State Budget to them as needed, expecting the Professions involved to sustain themselves through their own Arbeit and Geld. Since all of the basic essentials are going to be covered by the Council State, it will not cost the Totality much to purchase them directly from the Council State. There is also no homelessness in the Socialist Nation because the Council State has a Constitutional Obligation to provide basic housing to everyone with a Vocation. The Council State maintains a number of policies designed to ensure that the unemployed, underemployed, destitute, and homeless will attain Meaningful Work from any Vocation. Orphans, elderly, and the disabled will be cared over by the Council State if they are not counted as the dependents of any Household receiving a Paygrade each week.

It should be noted that the concept of “Welfare Capitalism” does not exist in the Socialist Nation. Health insurance, accident insurance, disability insurance, unemployment insurance, life insurance and so forth do not exist under the Work-Standard. There are no state and social pensions nor is there severance pay for when somebody had to leave their Vocation. Welfare Capitalism impoverishes not only the State but also the Totality by preventing them from spending any Geld that could help each other avoid the same poverty that afflicts them. Since the Totality is going to be more well-off compared to the Civil Societies of Liberal Capitalist countries, everyone is expected to afford all of their basic needs. Everything discussed here is designed to be self-sufficient, yet capable of providing exceptional treatment to those who deserve such treatment.

The Transvaluation of all Arbeit

In the former Soviet Union, Yuri Andropov once imposed penalties for tardiness to the workspace and having the work-shy arrested for failing to show up to their workspaces. In the United States, young Americans with university degrees have trouble finding Meaningful Work because they are “underemployed” and are currently stuck doing minimum wage jobs with no hope of advancement and demanding a higher minimum wage. In Japan, the *Hikikomori*—those socially withdrawn and work-shy Japanese youths—cower in their bedrooms and bestow shame to their family’s honor. In the People’s Republic of China, there is a growing tendency for young people to “lie flat” and shamefully avoid doing their parts in the Socialist Market Economy, a low-tier Planned Economy unlike the Mao-era Command Economy. And in the EU/NATO member-states, youth unemployment forces some to search for employment in countries like West Germany, the Federal Republic of Germany. From Liberal Capitalist Market and Mixed Economies to Socialist Planned and Command Economies, each of these historical cases share the same recurring challenge which nobody has yet to resolve within the State of Total Mobilization.

These same problems can happen in the Vocational Civil Service Planned/Command Economy as signs of an Unreadiness-to-Hand Arbeit to the Life-Energy Reserve. As Martin Heidegger defined it in *Being and Time*, an Unreadiness-to-Hand occurs if something is harming, preventing or obstructing anyone from contributing Arbeit and allowing the Central Bank to convert that Arbeit into Geld. The Unreadiness-to-Hand needs to be turned into a Readiness-to-Hand Arbeit sooner than later and there are ways to resolve it non-violently.

The first instinct of anyone experiencing conditions like those aforementioned historical cases is to question themselves if their Arbeit is worth anything to the State and the Totality. They may expect their Arbeit to be worth far more or they perceive their Quality of Arbeit to be declining in the face of ongoing economic conditions. Most people are going to realize it on a subconscious, subliminal level before expressing it in thoughts, words and actions. Depending on the affected person’s psyche and mental state, they will express it sooner or they may keep it to themselves and express it in subtler ways. The subtler methods range from not showing up to the workspace on time or avoiding interactions with others. A few may even crack like an egg under the pressure of Total Mobilization vis-à-vis a change in mood. It can be as drastic as either self-isolation, self-harm, domestic and workspace violence, addictions, heart failure, or suicide.

Professions pertaining to the law, healthcare and education are oftentimes the first to notice these behaviors sooner because they eventually manifest themselves as health conditions and violations of the law. Military Professions also know it as ‘Shellshock’ or ‘Post-Traumatic Stress Disorder’ (PTSD), particularly in circumstances where someone must separate the carnage of war from the new-found social bonds they forged with like-minded peers. After all of them are the families and friends of the affected. The only ones who really do not notice them are those involved in large political-economic governance structures (because there is no actual time for anyone to know these people on a genuinely personal level) and economists (especially those still operating on “the most Pleasure for the least Pain” and “the most Pain for the most Pleasure”). The latter is far worse than the former if they are aware of those affected as simply quantitative statistics.

The second instinct among those affected is to find others suffering the same conditions as they are. Naturally, they will be the ones who are going to visit the State Commissariats outside of normal economic conditions. They will address the state commissars and the economic planners to make alterations to their Quality of Arbeit. Decrease Work-Productivity, decrease Work-Intensity, find more Force Multipliers, help them regain Solidarity, have the Central Bank increase

the Mechanization Rate, or enhance the overall Economic Socialization for them. They may ask them for more Zeit away from their Vocations in the form of vacations and fewer hours in the work-week. While some of these measures can be accepted by the state commissars, it is unrealistic to expect them and the economic planners to accept all of them.

Where adjustments to Work-Productivity, Work-Intensity, and Force Multipliers are not enough, where Solidarity is unachievable, where Economic Socialization is at its greatest, and the Mechanization Rate too excessive, the affected must be asked about whether they have truly found their Vocation in Life. There should be no excuses at this point because there are already plenty of avenues for those people to figure out their Vocations. Plenty of opportunities are provided by the State and the VCS Economy and it is up to them to decide.

That brings them to their third instinct, which is to ask the State Commissariats why certain Vocations contribute far more Arbeit and thus more Geld compared to other Vocations. It cannot manifest as "Wealth Inequality" if portions of the nation-state are receiving Paygrades that cover everyone on a per-household basis. In the VCS Economy, people do not pursue specific Vocations because they offer more Geld; that was the mentality which motivated some of the work-shy in the above cases. People pursue Vocations because that is their calling in Life; they live to work for it, not work to live for it. That is the whole point behind describing the VCS Economy as "the Total Mobilization of Production for Dasein."

For the State, important questions loom regarding the Work-Standard and why it favors specific Vocations and why it favors others less. Why does the Work-Standard argue that the clergy and religious, the teaching and medical professions, and the armed forces contribute more Arbeit and thus more Geld for the Totality? And why does the Work-Standard insist that the State can sustain much of its own expenses by dint of those directly involved in its affairs?

These questions are more concerned with the Presence-at-Hand of certain Vocations where its Value, its Quality of Arbeit, is questioned. It is up to the State Commissariats to decide by consensus whether the Arbeit of certain Vocations contribute more to the flourishing of the Totality and address why the Arbeit of other Vocations contribute less so. There really is no scientifically objective way to go about this as far as the Work-Standard is concerned. What the Work-Standard is concerned, however, is whether the Totality benefits or suffers and to what extent those effects can be observed from the Kantian Imperative of Perfect Duties and Imperfect Duties. The purpose of Dasein is not one fixated on something as abstract as Happiness; the "Pursuit of Happiness" to an individual is a subjective absurdity by trying to impose it on the Totality as an objective reality. There is only the Nietzschean Will-to-Power in the Struggle for the Happiness of the Totality.

"The Struggle for the Happiness of the Totality" emerges whenever somebody borrows a loan from the banks or gets conscripted into the armed forces and into apprenticeships by the State. The State has a Constitutional Obligation to the Totality and a Duty shared by all who work directly as part of the State to ensure there is a working environment conscientious to the everyday realities of the Totality and its future. The State rests its political legitimacy on it, and a well-organized Council Democracy to ensure that it stays true to the Totality under the Work-Standard.

For the Totality, there may be concerns about the amount of Zeit devoted to the work-week, the conditions of the workspace and housing, possible unjust discrimination toward certain segments of the population and the pressures of caring for elderly parents. The Totality as a whole share the same "Constitutional Obligation in Service to All for All." The Totality must realize that neither the Quality of Arbeit nor the Quality of Geld is forever set into stone nor should any trend they are experiencing be incapable of any change within the framework of the Work-Standard.

The Work-Standard is capable of accommodating changes to the Quality of Arbeit in terms of Work-Productivity and Work-Intensity so long as everyone's basic needs are consistently met. It can also accommodate changes to the contributions of Arbeit into Geld, Geld into Arbeit, but the general ideas on which Vocations achieve the flourishing of the Totality will always remain valid.

When the Totality has made up its mind, the Totality will forge a new consensus at the State Commissariats. The State must then see to it that this consensus is enforced by law until the Totality decides otherwise. It is because of those considerations that advertising deserves to be considered as a commercialized form of propaganda. Advertising is to be limited and kept in moderation so as not to interfere with the Authentic Dasein of the VCS Economy for the Totality and uphold the Intents of Command and Obedience for the State. The State Council must decide the extent to which there is advertising within the Socialist Nation, the methods employed, and how frequent they should appear across any conceivable form of mass communications.

Everything discussed here is demonstrative of why neither Arbeit nor Geld are "Commodities." A Commodity's conception of Fungibility renders its identity indistinguishable from any nationality, culture, religion, tradition, social custom and norm, profession or anything else which could inform anyone of its creators. If all Arbeit can be distinguishable across different Vocations by what they contribute to the Totality, it is now possible to recognize the emergence of an "Equipmentality" from Martin Heidegger's *Being and Time*.

By arguing that Arbeit and Geld are "Equipment," by arguing that the Value of Arbeit and the Price of Geld should be altered, both can be redefined by their "Reference" and "Relevance" than by their "Purposes." The Reference refers to the "Serviceability" and the Relevance denotes the "Possibility" for the Repurposing of any known entity that exists in the world. Simply put, the Work-Standard can apply Heidegger's logic of Equipmentality within the contexts of a Vocation's Value of Arbeit being altered, thereby changing the Price of its Geld. It may seem counterintuitive at first, so a demonstration is in order:

- **Reference:** Everyone knows that the Quality of Arbeit for one profession *is worth the Life-Energy poured into it because of what it **has contributed*** to the Totality in the form of goods and services.
- **Relevance:** Everyone knows that the Quality of Arbeit for one profession *is no longer worth the Life-Energy poured into it because of what it **is contributing*** to the Totality in the form of goods and Services.
- **Repurpose:** Everyone knows that the Quality of Arbeit for one profession *is no longer worth the Life-Energy poured into it* and they request the State Commissariat to alter its Value to reflect *what it **shall contribute*** to the Totality in the form of goods and services.

By Repurposing the Quality of Arbeit based on its Reference and Relevance, the State Commissariats are able to arrive at conclusions based on the overall performance of that particular profession of Vocations. The State Commissariats can reapply that same logic to make similar decisions for specific Enterprises and entire Economic Sectors. That being said, it becomes necessary to ascertain how the Transvaluation of All Arbeit is supposed to be conducted in a functioning Council Democracy and its VCS Economy.

National-Socialization Principle

At this point in the SMP Compendium, an astute Reader of the SMP Compendium will have already noticed elements of the “*National-Socialization Principle*” at play throughout the production processes and transactional sales of different Enterprises. Within the narrow contexts of the Work-Standard, the National-Socialization Principle is what enables an Accountant or an Economic Planner to determine whether someone is contributing Arbeit and Geld to the Life-Energy Reserve as part of an Enterprise and whether the Enterprise’s contributions are being supplemented by additional sources of Arbeit and Geld. These additional sources of Arbeit and Geld are designed to be mapped in the Work-World, which Economic Planners and Accountants rely on to ascertain the origins of different contributions and how they impact the finances of the Enterprise in question. The Social Rank of the Enterprise within the Tournaments becomes a handy mechanism to ascertain the Value of Arbeit being contributed and its Price in Geld.

The concept of National-Socialization is an exclusive phenomenon made possible because of the Work-Standard and made easily visible by the presences of National-Socialized Enterprises and National-Socialized Banks (NSBs). Aside from those two, the Economic Planner and their Accountants recognize the phenomenon in terms of two discernible factors whenever Arbeit is being converted into Geld. When Arbeit is converted into Geld, the Quality of Arbeit is transmuted into Quality of Geld. In that transmutation, there are two factors which must always be accounted for at all times: Economic Socialization (ES) and the two halves of the Solidarity Rate (SR).

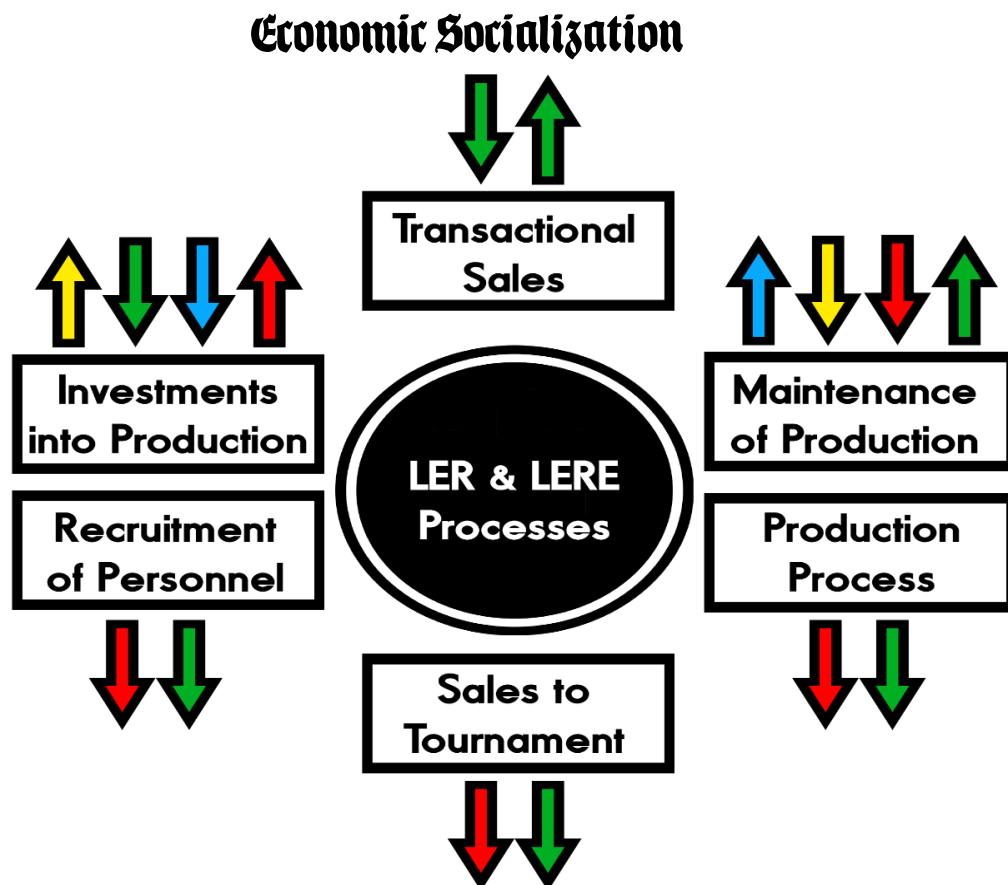


Diagram of Economic Socialization. Red and green arrows indicate Arbeit and Geld, whereas blue and yellow arrows are Arbeit and Geld contributed from NSFIs.

We established earlier in the SMP Compendium that there are three ways in which an Enterprise contributes Arbeit and Geld to the Life-Energy Reserve. Two of those three ways to contribute Arbeit, the third generating Geld. Economic activities related to the production process and the successful conduct of a transactional sale in the Tournament counts toward the contributions of Arbeit by an Enterprise. Only the transferring of Actual Geld for the goods or service is where the Enterprise generates Geld from its own economic activities. However, it would be remiss to not account for the various other ways in which an Enterprise could contribute Arbeit from its own production processes and transactional sales.

Economic Socialization (ES) naturally occurs whenever an Enterprise is contributing Arbeit and Geld to the Life-Energy Reserve beyond its production processes and transactional sales. Every Enterprise contains various Vocations performing the roles of different Professions. Some are involved in the production process, others in the transactional sales at the Tournament. Besides its own economic activities, the Enterprise is also enabling other Enterprises and Professions to contribute Actual Arbeit through their own economic activities. While those other Enterprises and Professions contribute their own Arbeit and Geld to the Life-Energy Reserve, it is only when they interact with specific Enterprises that Economic Socialization occurs.

To illustrate an example, suppose there is a Social Enterprise in the VCS Economy that renders a transportation service. It contributes Arbeit and Geld from production processes related to the operation and maintenance of its own fleet of vehicular transports, only generating Actual Geld from providing that service to other Enterprises. When that Social Enterprise does render its transportation service to a large State Enterprise, ferrying and delivering its finished products to other Enterprises that need them, the Social Enterprise has yielded Economic Socialization. This is because the Social Enterprise is supporting the ability of that State Enterprise to create more Arbeit and Geld in its production process than it could not have done on its own.

There is only one source of Arbeit created from the aforementioned occurrence of Economic Socialization here. It is related to transportation of the finished product under the terms of an agreement negotiated between their Economic Planners, approved by the Administrators and Delegates, and enforced by the Inspectors from the State Commissariats of Wages and Prices. Both the State Enterprise and the Social Enterprise yield their own Economic Socialization as result of that agreement. For the State Enterprise, it was caused by the loading of the finished product to the transport vehicles that had been provided by the Social Enterprise. For the Social Enterprise, it was the distribution of the finished products to their intended destinations. As long as the Social Enterprise is continuing to render its transportation service to the State Enterprise, both the Social Enterprise and the State Enterprise can claim Economic Socialization from the agreement negotiated by their Economic Planners.

Typically, Economic Socialization occurs whenever the economic activities of one Enterprise support the economic activities of at least one other Enterprise. An Enterprise contributes additional Arbeit from being involved in the production process or transactional sales of another Enterprise. All of the Enterprises claim Economic Socialization and it is up to the State Commissariats to enforce the terms of those agreements. Economic Socialization between Enterprises is most likely to occur among Industrial Concerns, Consortiums, Subsidiaries, and Guilds of State and Social Enterprises. If the Council State has any active Real Trade Agreements (RTA), Foreign Enterprises become capable of yielding Economic Socialization as well.

National-Socialized Enterprises (NSEs) are capable of racking up large amounts of Arbeit and Geld from engaging in Economic Socialization between the Council State and the Totality. They can form the backbone of the VCS Economy and the SSE, supporting smaller Social

Enterprises as well as the larger State Enterprises. Among individual Vocations, Economic Socialization occurs through the acquisitions of NSFIs from the Kontore or Work-Tenures from National-Socialized Banks (NSBs). In the case of NSFIs and Work-Tenures, Accountants always account for the Value of the NSFI if they have been created by the Economic Planner of an Enterprise and issued to potential Investors by the Kontore.

Solidarity Rate

The term ‘Liquidity’ in Liberal Capitalism refers to the rate at which anything can be bought or sold at a given frequency without any changes to its Price. It usually applies for most assets and securities and their subsequent conversion into Kapital. The Price is dependent on the speed at which something can be sold. Certain things can be sold off in a matter of minutes or hours whereas others may have to wait months or even years at their current Price. Lowering the Price may compel people to purchase it for less than what it may actually be worth. Alternatively, increasing the Price may dissuade those same people from purchasing due to perceiving it as being expensive. Any sudden Price increase coincides with higher Liquidity, causing lower returns on investment. If this is the Liberal Capitalist equivalent to the Socialist conception of “Solidarity,” it matters greatly as to how different Solidarity will operate under the Work-Standard.

To begin, recall the dynamics between Quality of Arbeit (QW) and Quality of Geld (QM) and how they interact with the Attrition/Inaction Rates. It is known that QW is affected by the contributions of Arbeit into the Life-Energy Reserve. And it is known that QM affects how much Geld will arise from conversions of Arbeit. The higher the QW, the lower the QM and the more Geld can be created with less amounts of Arbeit. Conversely, a superior QW enables the Attrition Rate to rise at a slower pace, whereas an inferior QW accelerates the Attrition Rate. This in turn influences the QM, which affects the generation of Geld.

Solidarity Rate Equations	
Scale of Production	$= \frac{\text{Scale}}{\text{Duration}}$
Scope of Production	$= \frac{\text{Density}}{\text{Scope}}$

Solidarity in this context refers to the sustainability achieved by the Quality of Arbeit maintaining a given pace before altering the Quality of Geld. It can be argued that the Quality of Geld is in many respects affected by the speed at which Arbeit is being contributed to the Life-Energy Reserve. While that may sound similar to the concept of “Liquidity,” Solidarity also depends on the ‘Scale’, ‘Duration’, ‘Scope’ and ‘Density’ of any effort. Those four variables were in fact at play within the Five-Year Plans of the former Soviet Union and the PRC as well as the

Eastern Bloc countries. The problem faced by all of them has been whether it is possible for anyone to be consciously aware of those variables without something akin to the Work-Standard.

Consider the methodology of Soviet-Type Economic Planning (STEP) for instance. Economic planners will set specific target goals (“the Scale”) that need to be completed within the four years (“the Duration”) of a Five-Year Plan. Priorities may be placed on the production of specific goods and services (“the Scope”) and concentration of manpower and resources (“the Density”). The Scale and Duration denote the Plan itself, while the Scope and Density are the means to carry out that Plan. Most problems in economic planning often occur from imbalances between the Scale and Duration on the one hand and the Scope and Density on the other.

Setting the Scales too high and the Duration too short will result in unrealistic expectations yielding lackluster results at the very least. At the very worst, however, people will overwork themselves to death. A similar set of problems occur when the Scales are set too low and the Duration too long. People will starve themselves to death in the worst case scenario. Meanwhile, any projections set forth by the economic planners will fall short of expectations.

Letting the Scope be too narrow and the Density too large will also yield lackluster results. Certain goods and services are going to be overemphasized to the point where other goods and services become less available. Shortages, like the kind experienced towards the end of the Soviet Union between the 1970s and 1980s will occur as a consequence. Moreover, having the Scope be too broad and the Density too small stifle decisive action to the point where any decision becomes ineffective. This too was also another problem encountered by the Soviet Union, except it occurred from the market reforms of Perestroika as State-Owned Enterprises were being privatized and the Soviets lost State ownership of their Command Economy.

Fortunately for the Work-Standard, these imbalances are now able to be registered as emerging imbalances in the dynamics between Quality of Arbeit and Quality of Geld. The important metric at play is of course the Attrition/Inaction Rate. Information that normally would not be available to economic planners under STEP will now be available by means of the Work-Standard’s own version of economic planning, MTEP (Mission-Type Economic Planning).

Note that “Scales” and “Duration” affect the Quality of Arbeit rather than Quality of Geld. Any Work-Plan with higher Scales and shorter Durations will cause Attrition to rise. The growth in Attrition originates from Arbeit being contributed to the Life-Energy Reserve in greater increments because of higher Scales at faster rates due to shorter Durations. As for the reverse, lower Scales and longer Durations will instead yield Inaction. This is due to less Arbeit being contributed to the Life-Energy Reserve.

Also note that “Scope” and “Density” affect the Quality of Geld. Any Work-Plan with narrower Scopes and larger Densities forces QM to rise by lowering QW. Less Geld is being created from greater amounts of inferior Arbeit, the Arbeit originating from larger concentrations of manpower and resources on the production of fewer varieties of goods and services. The opposite is a Work-Plan with broader Scopes and smaller Densities. More Geld will instead be created from smaller amounts of inferior Arbeit, the Arbeit originating from smaller concentrations of manpower and resources in the production of more varieties of goods and services.

To summarize the importance of Scales and Duration, Scope and Density, Solidarity requires a sustainable balance that favors Quality of Arbeit against Quality of Geld. In essence, more Geld needs to be generated from fewer conversions of Arbeit. Even though it can be achieved through Technology vis-a-vis the Mechanization Rate, the Central Bank cannot be expected to do everything. The rest of the nation, including the Economic Planners themselves, must pursue

realistic expectations that are sustainable. Any Scale of production needs to be in sync with their actual Duration, just as any Scope of production needs to be in sync with their actual Density.

Arriving at those conclusions forms the crux behind the concept of Solidarity within the State of Total Mobilization. Solidarity is more than just a word; it is part of a distinct way of life. Any enlarged Scale of economic activity is going to require longer Durations of Zeit and vice versa. Nothing good ever came from rushing things, absent emergency conditions such as in wartime, pandemics or natural disasters. Meanwhile, any broadened Scope of economic activity is going to involve smaller Densities of manpower and resources. Not everything needs to be produced in excess for there must be a sense of disciplined moderation.

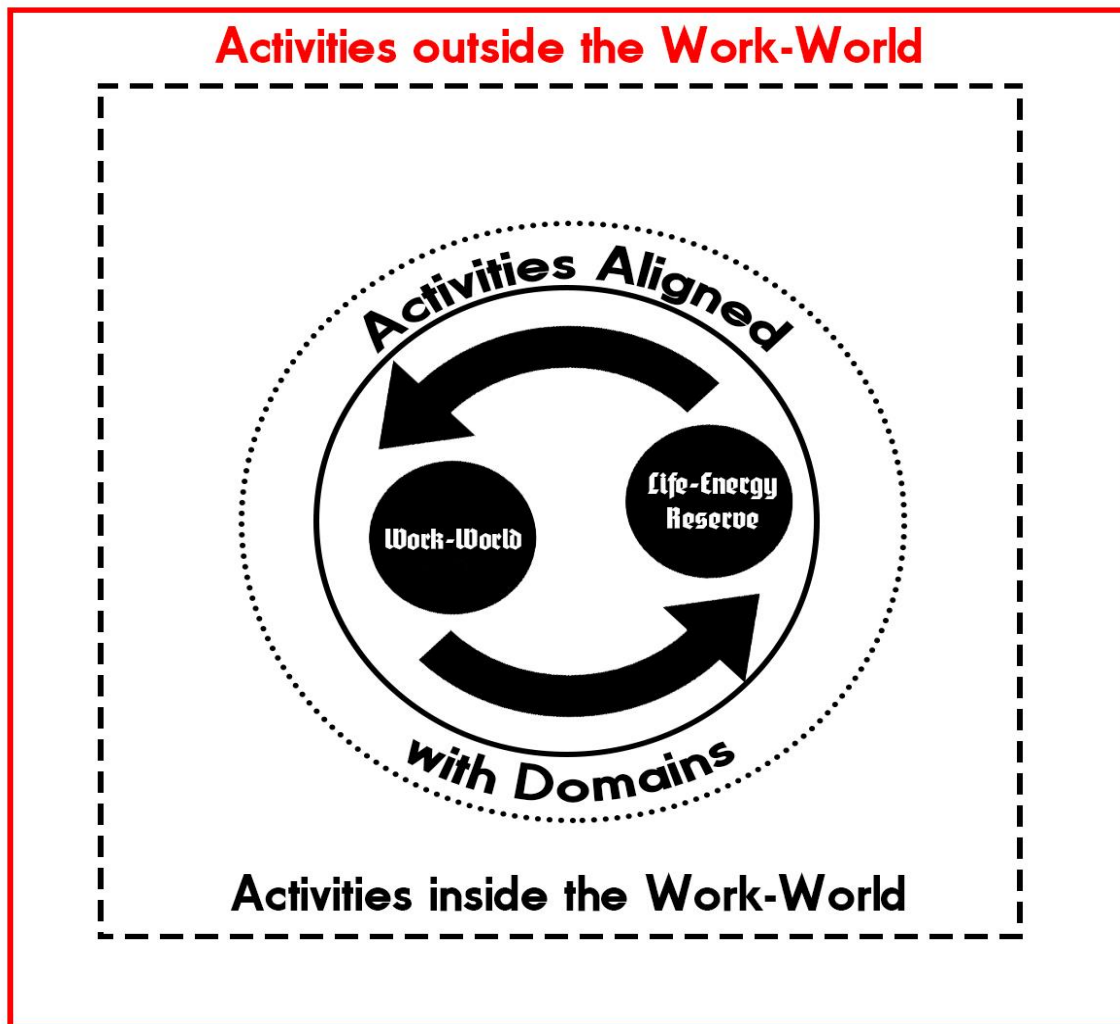
As one can probably imagine, the challenge from trying to achieve such a grandiose balancing act seems like a herculean task for economic planners. It was the consensus among economists because of the flawed belief among economic planners who thought it can all be resolved with Technology. The same can be said for those who claim there will always be absolute access to flawless information from the free market.

For the Work-Standard, its conception of economic planning on behalf of its Vocational Civil Service (VCS) Economy offers a new dynamic to ease the burdens of the economic planners. There is immense potential for the Work-Standard to introduce National-Socialized Financial Instruments (NSFIs) capable of facilitating rapid allocations of Arbeit and Geld across different sectors of the VCS Economy. Not just promoting the emergence of an alternative to financial markets, it also provides the basis for altering the procedural banking practices. In a Planned/Command Economy with a Reciprocal-Reserve Banking System entirely backed and controlled by the Totality vis-à-vis their State, it becomes inevitable to envisage banks issuing loans that do not revolve around Kapital and Schuld but instead Arbeit and Geld. Finally, it is here where the concept of Liquidity is being supplanted by Solidarity.

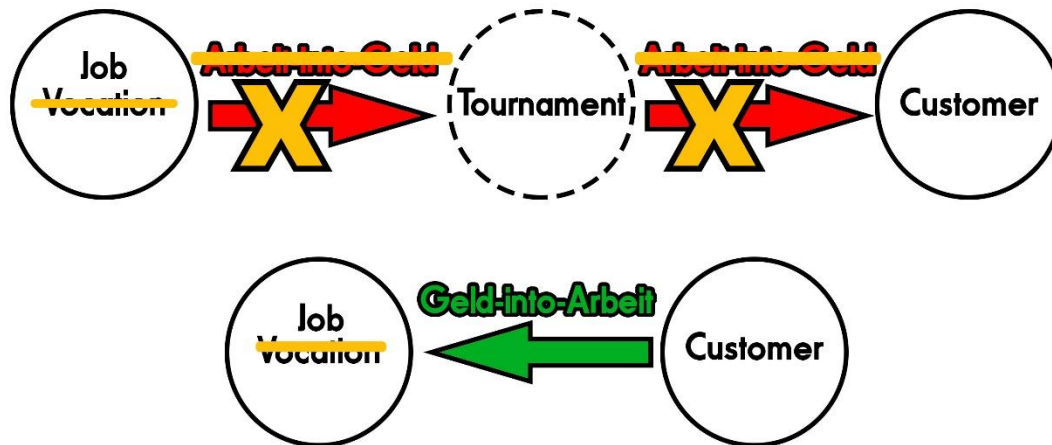
Productive and Personal Properties

The Work-Standard relies on its own conception of Property in order to ascertain where and when any economic activity becomes capable of contributing Arbeit and Geld to the Life-Energy Reserve. Economic Planners rely on the Work-World as a conceptual tool to map out the extent to which the Socialist Nation is contributing Arbeit and Geld. By doing so, they will discover that the Work-World recognizes the presences of different Properties whose functions and relevance to the Work-Standard differ from those Neoliberalism's conception of Property. Such distinct notions of Property Rights are related to the aforementioned Production for *Dasein*, which was discussed at the beginning of this Section.

All economic activities in the Work-World that is done by Economic Sectors, Industries, Enterprises, Professions, and Vocations correspond to a specific Domain. Each Domain is a constellation of production processes and transactional sales that are actively contributing Arbeit and generating Geld. Economic activities aligned with the Work-World are officially contributing to the Life-Energy and are counting toward the Final TPP Value that the Central Bank relies on to determine how many units of Sociable Currency can be brought into circulation.



*Author's Diagram of the broader Work-World, a given Domain
and how it enables Compatibility with the LER Process*

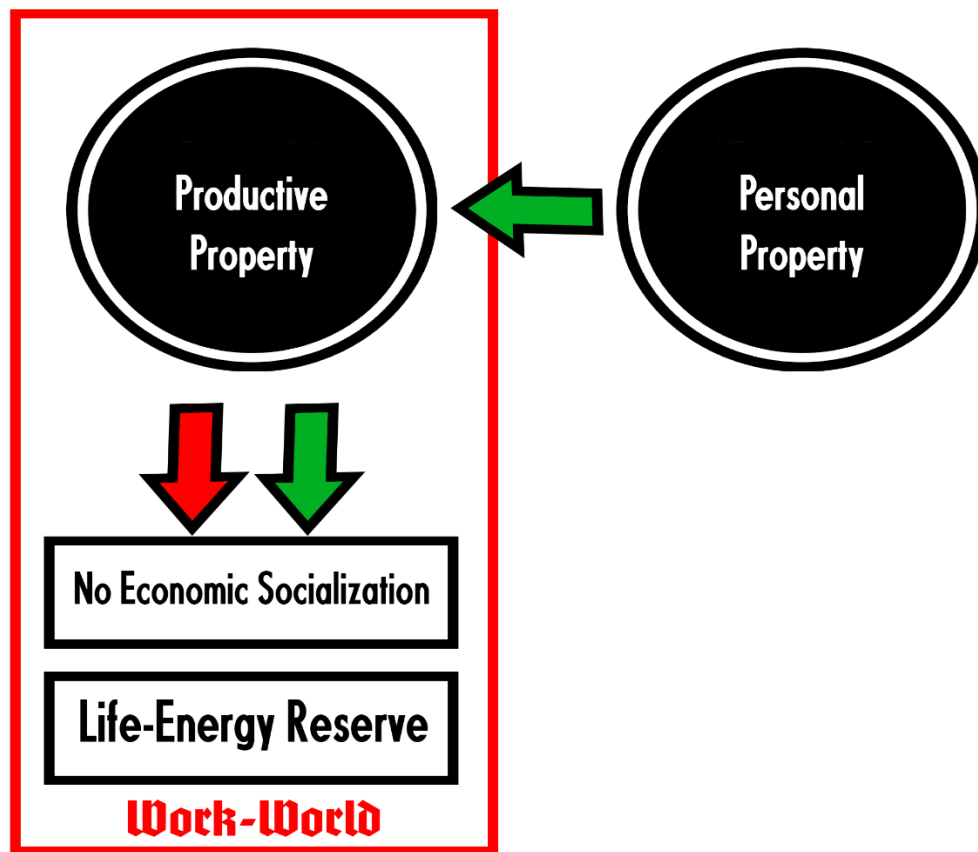


Author's Diagram of the Informal Economy as it appears in Production for Dasein. In the Informal Economy, any potential Arbeit that could have been contributed to the Life-Energy Reserve is not being accounted for. Instead, there is only the transferring of Actual Geld for whatever goods and services are being provided to the Customer by a "Job" as opposed to a Vocation.

Any economic activity that is not officially attached to a Domain in the Work-World is not contributing any Arbeit and Geld to the Life-Energy Reserve. This is because they are considered part of the "**Informal Economy**," where potential sources of Arbeit and Geld are not being accounted for by any Economic Planners or recognized by any Inspectors. It is also here where we encounter the Work-Standard's conception of "Property-as-Power" and how it determines whether any economic activity will contribute Arbeit and Geld to the Life-Energy Reserve. Note that the Work-Standard's Property-as-Power renders redundant Neoliberalism's opposing conception of Property-as-Wealth in the forms of Private Property-as-Wealth and Common Property-as-Wealth.

There are two types of Property under the Work-Standard: "**Productive Property**" and "**Personal Property**." Productive Properties denote any Property identified as part of a known Domain within the Work-World that is deemed compatible with the creation of Arbeit and Geld for the Life-Energy Reserve. The Totality controls them through the State, hence the justification for the five types of basic economic organizations in the VCS Economy (that is, SAEs, SOEs, NSEs, POEs, and PDEs). Personal Properties, despite coexisting alongside Productive Properties, are not part of any given Domain in the Work-World, preventing anyone from creating Arbeit and Geld through them. This is because the Self controls their Personal Properties, rather than the Totality or their State.

The best example of where the distinctions between Productive Properties and Personal Properties become readily apparent concerns the ownership of unoccupied land and buildings. The Totality controls all unoccupied land and buildings in the Socialist Nation that is not contributing Arbeit and Geld to the Life-Energy Reserve *and* is not owned by any particular Self. The Totality controls the unoccupied land and buildings in the Socialist Nation on grounds of National Sovereignty. They entrust the Council State to look after the unoccupied land and buildings until the time comes for them to be sold and allotted to a Self. When a plot of land or a building has been bestowed to a Self, it becomes their Personal Property. That Personal Property belongs to them, rendering it incapable of contributing Arbeit and generating Geld.



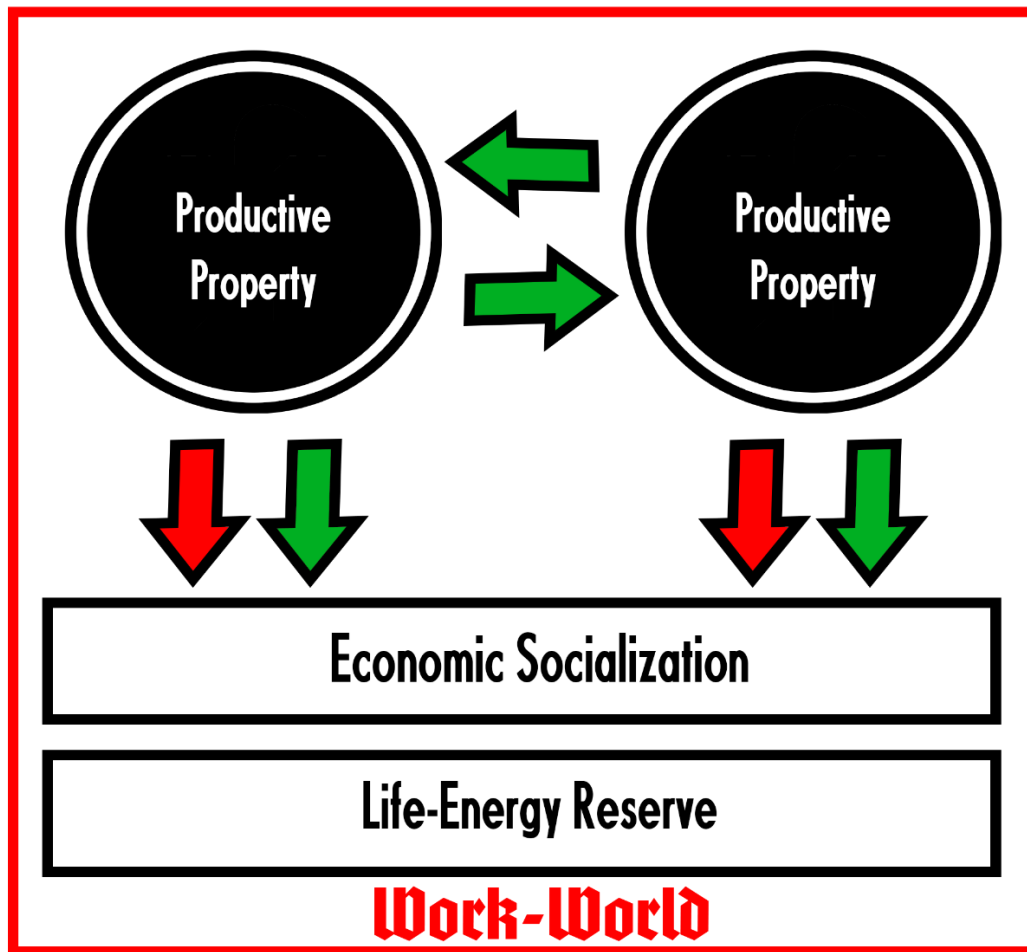
Author's Diagram of the interactions between Productive and Personal Properties-as-Power in Production for Dasein. Personal Properties do not contribute Arbeit and Geld to the Life-Energy Reserve. Instead, they can only provide Actual Geld to the Productive Properties of any Professions and Enterprises tasked with rendering a service to that Personal Property. Moreover, the Productive Property of an Enterprise cannot yield Economic Socialization form its interactions with any Personal Properties.

One key distinction between Personal Properties and Productive Properties is that the upkeep and maintenance of a plot of land or the buildings cannot be paid for by the Council State. The electricity, water, energy, heating and air conditioning, and so on must be paid by the Self that happens to own the Personal Property. The Actual Geld that the Self spends on those services counts as a transactional sale for any Social Enterprises rendering those services. Since this is a Personal Property that the Social Enterprise are rendering services to the Self as part of their own production processes, their Economic Planners cannot claim Economic Socialization. Economic Socialization requires two Productive Properties attached to a Domain within the Work-World.

However, if the Self decides that the land and buildings they own as Personal Property should form the basis of a new Social Enterprise, like a Small Business or a Cooperative, they must convert it into a Productive Property. In doing so, they become the Administrator and will be receiving an assigned Economic Planner, Accountants, and Inspector. The Productive Property will then begin contributing Arbeit and generating Geld for the Life-Energy Reserve.

In return for allowing the Arbeit and Geld of the Productive Property to belong to the Totality and Council State as the Socialist Nation, the Self will be allowed to keep whatever Actual

Geld they happen to receive from transactional sales at the Tournament. Once again, any Actual Geld gained from transactional sales will not be subject to any taxation by the Council State.



Author's Diagram of the interactions between two Productive Properties-as-Power in Production for Dasein. Drawing from the concepts of Reciprocal Theory of Value (RTV) and Work Theory of Money (WTM) as they were established in preceding Entries in the SMP Compendium, two Productive Properties are capable of contributing Arbeit and Geld to the Life-Energy Reserve as well as engage in Economic Socialization. Any transferring of Actual Geld for each other's services are also mapped in the Work-World by their Economic Planners.

Taxation and the Work-Standard (Pt. 1 of 3)

It is only appropriate to describe the Work-Standard's relationship with taxation policies from the standpoint of the Federalist Worldview. Most Americans genuinely do not appreciate taxation policies. They are willing to tolerate when convinced they are necessary for the Totality, the American Union itself. However, a recurring problem throughout American history has been posited by Alexander Hamilton and the Federalist Party: Where will America find the Geld needed by the Federal government to sustain the Totality? How will the Federal government receive this Geld and what methods are going to be taken?

These questions informed Hamilton's decision-making while writing his portion of *The Federalist Papers*. He spent six Federalist Papers, from No. 30 to No. 36, on the very issue of taxation. While much of what was written therein is sound, some of them will need to be discarded due to two considerations. The most obvious was that Hamilton needed to present a quick rebuttal in order to justify the US Constitution's stances on taxation policies, including why Congress should the power to levy taxes. The other is to discuss the issue of taxation in the United States from the purview of the Work-Standard, which will in turn support the veracity of Hamilton's arguments in other *Federalist Papers*. Since most Americans and non-Americans alike may not be aware of the historical origins behind the American aversion to Taxes, an overview of *The Federalist Papers* between 30 and 36 is necessary.

In *Federalist Paper No. 30*, Hamilton wrote that the Federal government needs to command the power to tax in order to sustain itself, maintain a national armed forces, and support the US economy. With the Work-Standard in mind, the second paragraph of that Federalist Paper becomes a justification for its existence in the American Way of Life:

"Money [Geld] is, with propriety, considered as the vital principle of the body politic; as that which sustains its life and motion, and enables it to perform its most essential functions. A complete power, therefore, to procure a regular and adequate supply of it, as far as the resources of the community will permit, may be regarded as an indispensable ingredient in every constitution. From a deficiency in this particular, one of two evils must ensue; either the people must be subjected to continual plunder, as a substitute for a more eligible mode of supplying the public wants, or the government must sink into a fatal atrophy, and, in a short course of time, perish."

The significance of perceiving the concept of Currency as Geld instead of Kapital puts the rest of Hamilton's arguments into perspective. He pointed out how the Federal government will allow the States within the Union to issue their own Taxes as "Internal Taxes" and Taxes on foreign trade called "External Taxes." Even today, the States which form the US levy their own state-level taxes just as local counties and metropolitan areas levy theirs. From a Federal Socialist perspective, these Internal Taxes can only be accepted by Hamilton for wartime conditions, but one must ask if Hamilton also made those arrangements as a compromise. For the conditions of Total Mobilization will eventually require implementing more standardized taxation policies.

Regardless, it is in a later passage that Hamilton went on to write:

"[T]HE NECESSITIES OF A NATION, IN EVERY STAGE OF ITS EXISTENCE, WILL BE FOUND AT LEAST EQUAL TO ITS RESOURCES."

This statement is an important one for the Work-Standard in context of the Total Economic Potential. For the American Union, the US Dollar must always be backed by the Arbeit of the

American people. The Arbeit of the American people coexists in lockstep with their Geld, the same Geld which Hamilton focused on in the next five Federalist Papers.

Federalist Paper No. 31 is favorable to the Work-Standard's advocacy of its Vocational Civil Service (VCS) Economy model more than the currently existing Liberal Capitalist Market Economy. Hamilton maintained that the Federal government needs the means required in achieving specific goals. In the case of the Work-Standard, Hamilton is advocating for the Federal government to be able to sustain and maintain its command over the economy. However, Hamilton saw Taxes as one of the requirements for sustaining the national economy. Again, this too can be discarded because there are specific ways the Work-Standard can help a national government finance itself. It can be done without resorting to the Keynesian methods of sustaining higher taxation rates and government spending which America experienced in the 1950s and 1960s.

The real challenge, as far as Hamiltonian Federal Socialism is concerned, involves finding the mindset suitable for the conditions of Total Mobilization. Even though Hamilton technically contributed to Total Mobilization through the fostering of industrial manufacturing, the American people as a Totality have yet to find the right mindset. That mindset was described by Ernst Jünger once in *Der Arbeiter*, which can be summarized as: "*The more Prussian, or the more Bolshevik one's life can be lived, by the way, the better off life will be.*"

In essence, the mindset alluded here is one defined by national civil service, fiscal discipline, selfless devotion, the determination to take on higher Duties and Obligations under the US Constitution. This cannot be imposed by laws or by so-called "Incentives." It is defined by how somebody chooses to live their life. Even in contemporary America, that mentality can still be found in the US armed forces, among Federal and State civil servants, among priests and religious (such as those who are Roman Catholics and the Eastern Rite Catholics, Lutherans and the Eastern Orthodox), scholars and artists genuinely committed to their Arbeit instead of Kapital.

The next four *Federalist Papers*, No. 32, No. 33, No. 34 and No. 35, focus on the economic, social and political aspects of an American VCS Economy operating in sync with the Work-Standard. Beyond Hamilton's continued rhetoric about justifications behind Federal taxation policies is the necessity for Council Democracy, the Federal government wielding the Intents of Command and Obedience, and why there are limits to levying taxes.

Federalist Papers No. 32 and No. 34 has Hamilton justifying the Constitutional basis behind the Federal government's power to levy taxes throughout the entire American Union. In particular, he insisted that the power of taxation belongs to the US Congress, which is perfectly understandable if Congress was still a Council Democracy. The contemporary Congress, including its failures and feebleness, is a Parliamentary Democracy. Most Americans have little to no faith in the competence of the House of Representatives and the Senate. Hannah Arendt and Russell Kirk arrived at similar conclusions within their own respective works between the 1950s and 1970s, and it became the subject of concern about the future of the Union. Where Arendt and Kirk can be understood as sharing similar ideas is their belief that the Union needs to return to the Councilor governance that Hamilton and the Federalist Party intended to establish. Only in a Council Democracy can Congress be able to act decisively to serve the Totality vis-à-vis an American VCS Economy.

Federalist Papers No. 33 and No. 35 involved Hamilton providing the grounds for Total Mobilization among several topics: the Intent behind the "Necessary and Proper Clause" and the "Supremacy Clause"; why taxation is best suited for the national emergencies of Carl Schmitt's "State of Exception"; and why any new taxation policy needs to be scrutinized within the framework of Council Democracy. There is a lot of information to discuss and all of them has

already been discussed in one form or another across other SMP Compendium entries. For the sake of understanding the Work-Standard, a review of relevant topics is in order.

The Necessary and Proper Clause and the Supremacy Clause within the US Constitution has always been targeted by Jeffersonian Democratic-Republicans, the Liberal Capitalists, for centuries. Most Americans and perhaps some non-Americans will encounter people claiming that the Constitution grants “too much power” to the Federal government, that there needs to be some form of “limited government” or “small government.” These principles are as Jeffersonian as they are also the byproduct of the Great Divergence within the Federalist Party when Jefferson’s protégé James Madison betrayed Hamilton and the Federalists. The historical purpose of those Clauses is to essentially assert the political legitimacy of the Federal government wielding the Intents of Command and Obedience, including the legal jurisprudence required for the existences of Constitutional Intents and Obligations and a Legal Code of Duties and Rights.

The Federal government serves the American people, who in fact are Sovereign under Total Mobilization. This will always be the case until the occurrence of a State of Exception, which should be reserved for any rare life-or-death moments in America’s future. Outside of a State of Exception, the pressures of Total Mobilization will continue to force everyday Americans to advocate for reforming the US Congress. It is already discernible within the concerns raised over various practices characteristic of Parliamentary Democracy. From combating the subversive influences of Kapital by lobbyists and special interest groups and the end of Gerrymandering to the end of the Senatorial Filibuster and reforming the Electoral College.

As stated earlier, taxation should be reserved as a last resort under the Work-Standard. It deserves to be limited only to where and when it becomes necessary for the Totality. In a Council Democracy, the American people will be able to voice their grievances against Congressional approval of unnecessary taxation policies and recall those who fail to serve the Totality through a vote of confidence at the State level, which is not possible in Parliamentary Democracy.

Furthermore, Hamilton warned about the dangers of any Tax whose existence cannot be justified because there will always be the potential for economic self-sabotage. A notable example cited in *Federalist Paper No. 36* was a Poll Tax on the population of the American Union. Poll Taxes are to be rightfully rejected due to being indiscriminate toward whether those affected who lack the means required to afford it. It is due to this consideration that Hamilton advocated the need for an organizational body of tax collectors who must know their jurisdiction and the people who reside within it. Those tax collectors will be the ones with the Duty to set the valuation of tax rates on behalf of the State and Federal governments. Contemporary America generally understands this particular organizational body as the “Internal Revenue Service” (IRS).

Given the Work-Standard’s minimization of Taxes, it is possible to reinterpret Federalist Paper No. 36 as delving into Mission-Type Economic Planning. That will entail economic planners and a retinue of accountants recording the contributions of Arbeit from various jurisdictions at the local, regional and national levels. Hamilton’s warnings about excessive taxation can now be reinterpreted as a warning of the need to avoid excessive Attrition by ensuring realistic expectations are pursued among economic enterprises are by pursued. Beware that excessive Attrition is potentially fatal and may lead to the needless injuries and deaths in the workspace.

In retrospect, there are three important implications posed by the Work-Standard about taxation policies. The most obvious of them is that Taxes are most ineffective if their Intent is to “redistribute wealth.” Such policies have no place in the metaphysics governing the State of Total Mobilization insofar as they belong to the epoch of 19th century Liberal Capitalist economics. Another implication is the Work-Standard’s ability to contribute more Geld from a larger diversity

of sources of Arbeit, which has never been possible with Kapital. It is now feasible for governments as large as the US government to sustain a large portion of its costs without resorting to Keynesian-like methods. This leaves the existence of taxation policies under the Work-Standard to accommodate the more obscure policies proposed by Hamilton. These include the usual ones which further economic growth and protect national industries from foreign economic powers, while the rest are those intended for promoting economic activities more favorable to the Totality and others that try to dissuade the proliferation of less honorable ones.

Taxation and the Work-Standard (Pt. 2 of 3)

The contemporary US Taxation System in the early 21st century is in many respects a byproduct of the haphazard implementation of Total Mobilization *after* Alexander Hamilton's death and the dissolution of the Federalist Party. Much of it was introduced under wartime conditions. While there was a Federal Sales Tax introduced in the War of 1812 and a Federal Income Tax in the Civil War, the vast majority occurred during World Wars I and II, when Jeffersonianism was at its height of power under Presidents Woodrow Wilson and Franklin Delano Roosevelt. Given this frame of reference in mind, it is inevitable to expect the complexity of US Taxes to grow exponentially to ensure not a single US Dollar in Kapital escapes the watch of the Internal Revenue Service (assuming the IRS is being well-funded, of course). This is essentially what will happen if Total Mobilization has Kapital and Schuld as its metrics, not the Arbeit and Geld of the Work-Standard.

America has twelve different Taxes (and a hidden thirteenth), organized into three verbs within the English language, all of them revolving around Kapital itself: Earn Kapital, Buy Kapital, Own Kapital. It helps that the Work-Standard is now detecting the psychological and psychic conditions governing these processes, especially in contexts where there is neither Arbeit nor Geld. A more accurate description of these psychological and psychic conditions within the American Way of Life is "to give Pain and receive Pleasure" or "to give Pleasure and receive Pain."

1. Earn Kapital and receive "Personal Income Taxes," "Corporate Income Taxes," "Payroll Taxes," and "Kapital Gains Taxes."

Personal Income Tax affects the amount of Kapital allocated to a person's annual wages, salaries or investments. Corporate Income Tax affects the amount of Kapital generated by the profits of privatized commercial firms. Payroll Tax affects the amount of Kapital being redistributed to the fruits of FDR's New Deal programs such as Medicare, Medicaid and Social Security. And the Kapital Gains Tax affects the amount of Kapital that can be generated from LCFIs (Liberal Capitalist Financial Instruments) like stocks, bonds, commodities, derivatives and so forth.

2. Buy Kapital and receive "Sales Taxes," "Gross Receipts Taxes," "Value-Added Taxes" (VAT), and Excise Taxes.

Sales Tax affects the amount of Kapital spent on purchasing goods and services. Gross Receipt Tax affects the amount of Kapital from those same sales of those goods and services. VAT affects the amount of Kapital that occurs from the process of creating goods and services. And Excise Tax affects the amount of Kapital spent on specific goods and services like gasoline, alcohol, gambling and betting, soda and tobacco.

3. Own Kapital and receive "Property Taxes," "Tangible Personal Property Taxes," "Estate and Inheritance Taxes," and "Wealth Taxes."

Property Tax affect the amount of Kapital that can be generated from the commoditization of land and buildings. Tangible Personal Property Tax is similar to Property Tax, except it is levied against the Figure of the Arbeiter and the Art of Technology itself—vehicles, equipment and inventory, furniture, and anything intended for Total Mobilization. Even more problematic are Estate and Inheritance Taxes, which affect the amount of Kapital that can be passed on to future generations, and come with a hidden thirteenth Tax called a 'Gift

Tax'. And worst of all, a Wealth Tax affects the amount of Kapital that somebody borrows from commercial banks as loans and the amount of Schuld that exists as a consequence.

These twelve different Taxes may seem easy enough until one realizes there are Federal Taxes from the Federal government and then there are State Taxes from the State governments. Even more problematic are Municipal Taxes levied by a local metropolitan area, city, or county. Everything adds up and everyone must report all of the Kapital they had earned to ensure that not a single US Dollar in Kapital is left unaccounted for.

It is well-known in the Western world that the US still has one of the lowest Taxation Rates on Earth. In the UK and the EU/NATO member-states, Taxes are even more painful as their Welfare Capitalism has been engaging in more aggressive techniques since the Cold War. The Scandinavian Social Democracies make the US Taxation System resemble a sexual fetish because the Scandinavian Model is backed by the Kapital from Petroleum and Free Trade.

The Prussian or Federal Socialist way of dealing with something as complex as the US Taxation System is to *neither raise Taxes nor cut Taxes*. The choice between "to give Pain and receive Pleasure" and "to give Pleasure and receive Pain" is not an authentic one at all because the result will always be the same in the end. The only real difference is who else gets to be exploited.

New policies require new tactics; never pour new wine into old wine bottles. If the US Dollar gets pegged to the Work-Standard, the US Taxation System will become obsolete because of its impractical nature and its inability to exist without Kapital and Schuld as overriding factors in the American Way of Life. Its abandonment will coincide with the introduction of Arbeit and Geld and everything else which defines the characteristics of the Work-Standard. An example of those changes is the psychological and psychic conditions of the concept of Property.

In Liberal Capitalism, there is Private Property-as-Wealth and Common Property-as-Wealth. The latter term is where the English-speaking world got the term "Commonwealth," which can be found in the legal names of US States like Virginia or Pennsylvania and the Commonwealth countries that once constituted the British Empire. To abolish Private Property is to also abolish Common Property, and what shall be the replacements for those two conceptions of Property? Under Socialism, there can only be "Personal Property" and "Productive Property," their significance to the Work-Standard to be explored in another SMP Compendium entry. What can be discussed here, however, is the tendency among Americans to develop mixed feelings about the everyday lives of the wealthy, how that ties in with the concepts of Private and Common Properties as well as the US Taxation System.

Any close glance into the lives of wealthy Americans will come away with the impression of a deliberate choice to live frugally. This must not be mistaken with the Prussian or Federalist way of living for three important Intents. First, wealthy Americans need to convey an image of themselves being inconspicuous and not attracting too much attention about their wealth. Second, the concept of Kapital functions as an informal Ranking System influenced by the metrics of "Net Worth" and "Credit Score." And third, they need to preserve as much of their Kapital as possible to avoid the US Taxation System. It is often the latter which influences their decision-making process insofar as it affects the first two Intents.

A wealthy American, in order to preserve their Kapital, will try to invest in LCFIs (Liberal Capitalist Financial Instruments), which are known to serve as a manifestation of Private Wealth. This accounts for why their Net Worth can be said to grow rapidly over the course of several years in spite of the livelihoods of the American people. After all, given the abstract characteristics of Kapital since the death of Bretton Woods, the financial markets are able to operate independently

of the national economy. Under US Tax Law, LCFIs do not count as a source of income until somebody decides to sell the LCFIs by converting them into Liquidity.

Another potential avenue is for them to borrow Kapital from a commercial bank by relying on the Fractional-Reserve Banking System. Since Kapital is literally being created out of thin air, what limits how much Kapital any wealthy American can borrow is the Schuld and Interest Rate (if there is any). A good indicator for this trend, of course, is discernible from their attempts to 'live frugally' by reducing their salaries and minimizing their expenses. Any big purchases on their part will involve them having to pay more Schuld or the banks will become hesitant in allowing them to borrow more Kapital because they are expecting them to pay back what they had borrowed.

And finally, if they have children and not have any divorce settlements, they can establish philanthropies and charities to obtain Tax Credits and Tax Benefits. The more Tax Credits and Tax Benefits they obtain, the more Kapital they can pass on to their descendants. This is also a great way to improve how they are perceived by other Americans since their attention will be redirected to those philanthropies and charities.

Most wealthy Americans, as with the rest of the US, are more inclined toward obeying the law and refraining from resorting to illicit means of hiding their Private Wealth. Those who do hide their Private Wealth tend to be involved in criminal activities or else have convinced themselves that the US Taxation System is unjust, which has happened throughout US history. Obviously, the idea of the wealthy illegally hiding Private Wealth for any Intent beyond personal self-interest is rare. They know that there is far too much to lose from engaging in such behaviors. Thus, it makes perfect sense for some of them to reform the US Taxation System by lowering Taxes, but not replace it outright with a different way of doing things. It also makes sense for them to avoid places with higher Taxation Rates in a manner comparable to somebody instinctively removing their hand from a hot stove.

The behaviors exhibited by wealthy Americans and the manner in which others perceive them are indicative of Marginal Utility's application within the US Taxation System. It should be repeated over and over that Marginal Utility emphasizes the most pleasure for the least pain or "the greatest happiness for the greatest number." When the US Taxation System is altered, what is being done is the decision to choose between "to give Pain and receive Pleasure" and "to give Pleasure and receive Pain."

That is the secret trick behind the concept of "Wealth Inequality" as a diversion from addressing the failures of Liberal Capitalism. Granted, these conclusions should not be seen as an excuse to overlook the plight of anyone living in America. All Americans, regardless of where they exist in the Union, are overburdened by an excess of Kapital pegged to Schuld. There is plenty of pleasure and pain to go around insofar as Marginality Utility itself is concerned. Everyone finds pleasure in the pain they inflict on others, and everyone finds pleasure in the pain inflicted on them by others. The term "Sadomasochism" is appropriate in describing what is happening here.

As for the Work-Standard, the dynamics of Arbeit and Geld operate according to different psychological and psychic conditions. This extends to the manner in which taxation policies are addressed politically and how they affect the Socialist Nation economically. These distinctions will become apparent as we explore Part III of this SMP Compendium Entry.

Taxation and the Work-Standard (Pt. 3 of 3)

The past two parts of this SMP Compendium should be obvious by now. Taxation under the Work-Standard is going to operate according to a different set of parameters than how they are normally conducted under Liberal Capitalism. The purpose of any Tax will not be an excuse to finance the costs of the State; the State already has the means to sustain itself because of the Work-Standard. Its purpose must also not be an Intent of trying to redistribute “Private Wealth” and “Common Wealth,” ‘Private Property’ and ‘Common Property’ respectively, because those conceptions of Property are predicated on the existence of Kapital. In a Socialist Nation under the Work-Standard, Progressive Taxation and Regressive Taxation will become redundant.

This leaves taxation policies to be restricted to the State promoting certain behaviors and dissuading others. Here, the Intent pertains to the flourishing of the Totality. Two examples were stated from the purview of Hamiltonianism in Part I. Those examples are “*Sonderabgaben*” (Special Charges) for supporting the development of newly-emerging domestic industries and Taxes that discourage dependency on foreign imports. The latter technically falls under the purview of Real Trade Agreements (RTA). Whether those Taxes are going to be levied as “Tariffs” needs to be negotiated with the other nation-state. The terms which govern that portion of the RTA in question can be discussed alongside the terms which also govern the “People’s Surcharges.”

Granted, the *Sonderabgaben*, People’s Surcharges and Tariffs are not the only ones which could be considered permissible under the Work-Standard. For as stated earlier, all Taxes need to be conducted with a specific Explicit Intent in mind. A recent Blog post for *The Fourth Estate* alluded to a few examples that are worthy of mention here.

One example dating as far back as Ancient Rome as the “*Aes uxorium*” and more recently by the former Soviet Union and Eastern Bloc countries is a “Childlessness Tax.” In the Soviet Union alone, a Childlessness Tax was levied on men aged twenty-five and older who were unmarried and had no children. Those affected by the Tax had their incomes reduced by up to 6%; those earning below the average median, university students and military recipients of certain prestigious awards are exempted. The Intent of this policy was to compel young men into marrying and raising families at younger ages because doing so meant not having to pay the Tax. In a world where birthrates of Western countries (and more recently, developed countries) have fallen to unsustainable levels, such a policy could be revisited.

Could a Childlessness Tax be feasible in countries like Germany or Japan, two countries with some of the lowest birthrates on Earth? That question can also be asked about other countries experiencing the same issue like Hungary, Poland, South Korea, Greece, Latvia, Finland, Sweden and France. Before any serious consideration of a Childlessness Tax can be signed into law, investigative scrutiny into their ‘pro-natalist’ policies are necessary.

From the outset, these pro-natalist policies look pretty until one realizes how shallow their essences truly are. What is really occurring with those pro-natalist policies is an expansion of Welfare Capitalist Incentives. The psychological and psychic conditions of Kapital are at play once again, except it is now literal. The choice between “to give Pain and receive Pleasure” and “to give Pleasure and receive Pain” finally has sexual overtones as a kind of ‘Kapital’.

One example to be mentioned here is “Baby Bonus.” A Liberal Capitalist government pays the family for the costs of conceiving or adopting a child. There is the “Children’s Allowance,” which is redundant in the Work-Standard’s Paygrade Scale because it involves issuing a fixed amount of Kapital to children, teens and young adults. A good analogy for Americans is basically Social Security for the underage. Another includes “Paid Maternity Leave” and a similar variant,

“Paid Paternity Leave,” where a newlywed couple receive a fixed amount of Kapital from their government to cover the costs of caring for newborns.

These arrangements are actually wasteful, counterproductive and do not really address the real costs of raising the next generation. On top of other Welfare Capitalist programs like childcare and healthcare and the costs are definitely going to pile up by dint of growing inefficiencies. The inefficiencies are far more than the limited amount of Kapital in existence or an unproductive bureaucracy. It also includes the very fact that these payments are *so tiny* that it is senseless to expect a newlywed couple to rely on those payments alone.

The Prussian or Federal Socialist way of doing things is to include Paid Maternity and Paid Paternity Leave on top of the newly-wed couple’s Paygrade. Their Paygrade is going to have enough for them, their children, their parents (if retired) and anyone else living at their house. It is unnecessary to include anything more than what is already included in that Paygrade. As for the healthcare, childcare and educational costs, the State will cover them. The Geld originated from the large influxes of Arbeit contributed to the Life-Energy Reserve by hospitals, nurseries, kindergartens and schools. Medical and nursing, childcare and educational professions are all high-tier contributors of Arbeit under the Work-Standard.

With the financial matters taken care of, all that remains are the social and political Intents of childbearing. Women who raise more than three children will receive a medal by the State. This medal is a three-class one that is awarded in bronze to the mother shortly after childbirth, preferably the birth of her fourth child. She receives the second class of this medal in silver following her sixth child and a shiny golden one after her eighth. Such medals did exist in the Soviet Union, the “Order of Maternal Glory” and “Order of the Mother Heroine” from 1944 to 1991 and the Soviets were not the only ones. In France, there is the “*Médaille de la Famille française*” (Medal of the French Family), which is still awarded over a century after its inception in 1920. And in the German Reich, there was the “*Ehrenkreuz der Deutschen Mutter*” (Honor Cross of the German Mother), except this one was created under the Hitlerists, unfortunately.

The social factors which bring honor to childbearing for young women will depend on the Socialist Nation’s promotion of religiosity, providing access to quality housing, and the assured encouragements from the Totality. Family and friends are not enough. No woman, no matter the circumstances in her life, should ever have to be discouraged from this noble endeavor. The State can start by addressing any potential disparities in Paygrades when she marries her spouse, who may either have a higher or lower Paygrade. Shall her Paygrade be adjusted to that of her husband, or shall the couple share a higher Paygrade? Since the Paygrade is on a per-household basis, the State will combine their Paygrades as one to symbolize the sanctity of their marriage. That Paygrade will last until the hour of death; a divorce may alter the terms, but so will one of them deciding to remarry somebody with their own children (a problem in Western countries).

Another example is the “Church Tax,” which the State levies to members of a religious congregation to sustain the upkeep of parishes, convents, monasteries and cathedrals. This sort of policy is suitable for nations considered part of the Catholic world (which also happens to constitute a decent portion of the Western world), where a significant portion of the population consider themselves as members of the Catholic faith. Since Catholic deacons and priests, nuns and monks, sisters and brothers, monsignors, bishops, archbishops and cardinals rely on other sources of income, the laity can help finance the construction and upkeep costs of institutions devoted to the Catholic education of the youth for instance.

In the Catholic faith, the clergy and religious pursue their Vocations with Vows of Poverty, Chastity and Obedience. They are far more attuned to the Intents of Command and Obedience

because of what their Vocation expects of them in service to the Totality. However, the Catholic Church continues to view Socialism with suspicion because the ecclesiastical authorities remain convinced that all Socialisms are Marxist. They remain oblivious to the fact that the Marxists themselves have their Dogmatists and Revisionists, their disagreements over “Socialism in One Country” and “Permanent Revolution.” Nobody understands it yet, but Socialism is not supposed to be a Science; it is supposed to be part of a nation’s way of life.

If there is any hope for the Catholic clergy to support Socialism, it must be one in which they are confident that the People’s Party of the Socialist Nation will not persecute them for their beliefs, confiscate their parishes, cathedrals, schools and universities, as well as allow them to practice the Catholic faith undisturbed. The same can be said for other religions, especially if the nation-state implementing the Work-Standard happens to include large religious minorities. Rather than promote Secularism or Scientific Atheism, it would be best that a consensual pact is struck between religious congregations to freely practice their faith and receive State support as citizens of the nation, but not implement policies which impose one faith on all.

It helps immensely that clergymen and religious contribute even more Arbeit when compared to teaching and medical professions. The clergy and religious are used to receiving Paygrades as part of their Vocations, so it is understandable to receive enough for their ascetic lifestyles. The State and the Totality should give these people the honor they deserve and the sacrifices they are willing to make under the Work-Standard.

Certain Taxes should be levied on goods and services with the potential to harm the Totality. Those include alcohol, tobacco, gambling, pornography, and cannabis. It is better to restrict access than to illegalize them outright because the contributions of Arbeit from those involved are low-tier when compared to the Arbeit of schoolteachers, university scholars, medical doctors and nurses. When compared to the clergy and religious, the contributions of Arbeit are abysmal. In the United States and early Soviet Union, alcohol was prohibited on moral grounds.

There were instances of Americans keeping secret stockpiles around to earn Kapital. La Cosa Nostra, the “American Mob,” rose to prominence as a result of Amendment XVIII in the infamous “Prohibition.” Prohibition was only repealed because of Amendment XXI voiding Amendment XVIII. Alexander Hamilton’s fears about the integrity of the Bill of Rights within Federalist Papers No. 84 and 85 had become a reality in the 20th century.

And in the Soviet Union, Mikhail Gorbachev tried raising Taxes on the Price of alcohol from 1985 to 1987. The Taxes reduced rates of alcoholism and increased life expectancy by reducing the amount of potential Revenue for the Soviet central government. A similar decision can finally be done under the Work-Standard. The costs of those Taxes can be sustainable if sufficient alternatives exist. With the influence of the clergy and religious and the support of the Totality, there will always be plenty of Meaningful Work around for good-paying Vocations.

The implications of the Work-Standard concerning taxation policies raises serious questions about the Quality of Arbeit. Why should the clergy and religious, the medical and teaching profession contribute more Arbeit and thus more Geld? Why should alcohol, tobacco, gambling, pornography, and cannabis be contributing less Arbeit and thus less Geld? The significance deserves its SMP Compendium entry because of relevant entries related to “Work-Productivity,” “Solidarity” and “Economic Socialization.” Since those three variables are still perceived as three separate topics, an entry combining all three will put the Quality of Arbeit and Quality of Geld into perspective. Doing so will also provide greater clarification over the dynamics of the Total Economic Potential (TEP) and the Total Financial Potential (TFP).

Fractional-Reserve and Full-Reserve Banking

The Great Depression resulted in various proposals to address the failures of the Fractional-Reserve Banking System in the 1930s. From monetary reforms and nationalization of privatized firms to the popularization of Keynesianism and Soviet-Type Economic Planning (STEP), the decade was a period of economic experimentation and innovation. Like the Market/Mixed Economy, proposals have been posited to entertain the replacement of the Fractional-Reserve Banking System with a Full-Reserve Banking System. Although the Fractional-Reserve Banking System succeeded in maintaining its place within Neoliberalism, such questions have persisted long after the Great Depression and the Death of Bretton Woods. The Great Recession in particular had reignited those questions alongside the introduction of Cryptocurrencies.

In Fractional-Reserve Banking, the commercial banks are required by law to only keep a portion of any Kapital that their customers had deposited at any of their local branches. Any excess Kapital is permitted to be freely lent to any potential borrowers. Its whole purpose, including its rationale, is driven by the Incentives of Supply and Demand. By allowing people to borrow Kapital from them, commercial banks are expanding the so-called “Money Supply,” the amount of Fiat Currencies in existence. The loans are then spent on the production of goods and services, thereby contributing to economic growth within the framework of a Market/Mixed Economy.

The trick with Fractional-Reserve Banking is how there is no expropriation involved. The Kapital which somebody deposited into their account is still recorded on the financial ledgers of their commercial bank. The commercial banks are limited by the “Reserve Requirement,” which is the Quantity of Kapital that they are supposed to possess within their own accounts at the Central Bank. In the event of a run on the banks, the privatized commercial banks would give people their Kapital without creating the impression that they have no Kapital to speak of. All of this seems sound until one realizes where are the commercial banks getting the additional Kapital to offer loans if the deposits themselves are still left unaffected?

When seen in this context, it becomes natural to assume new Kapital is being ‘created out of thin air’ by the commercial banks in order to drive economic growth. But since Kapital is ‘created out of thin air’, what is ultimately backing Kapital? The simplest answer is Schuld—Kapital is essentially pegged to the Schuld that materialize whenever borrowers accept loans from the lender. The Schuld that emerged from the transaction becomes an Incentive in its own right, forcing the borrower to earn more Kapital than what they had originally borrowed in order to pay off their Schuld. This becomes even more problematic if there is an Interest Rate because that can cause economic growth to fall. The trick there is a “Money Multiplier,” which Fractional-Reserve Banking requires in order to expand the Money Supply whenever privatized commercial banks are accepting deposits and lending loans to borrowers. If economic growth continues from people overworking themselves to earn more Kapital, they are also depositing more Kapital to their accounts at the privatized commercial banks.

But there are limits to this sort of banking practice. Fractional-Reserve Banking cannot tolerate everyone withdrawing their Kapital from the financial system simultaneously. Perceived economic decline can force people to make a run on the banks and withdraw their Savings. Privatized commercial banks are tolerant of a certain number of people making withdraws; larger numbers of people may cause them to become insolvent. An eventual collapse, brought on by a bank failure, becomes likely. While this sort of behavior occurred during the Great Depression, it has not stopped privatized commercial banks from trying to maintain smaller Reserve Requirements and their Central Banks trying to set lower Interest Rates whenever possible.

Given the problems of Fractional-Reserve Banking, an alternative was posited in the form of a “Full-Reserve Banking System.” In Full-Reserve Banking, privatized commercial banks are required by law to maintain full reserves of Kapital in deposited accounts at all times. Since it is assumed that all privatized commercial banks are not ‘expropriating’ any Kapital from existing deposits, any loans they issue to potential borrowers is limited to the deposits that they have in reserve. To understand the origins of Full-Reserve Banking is to also understand why the Work-Standard is incompatible with any pure application of Full-Reserve and Fractional-Reserve Banking. After all, Full-Reserve Banking is to Production for *Utility*, what Fractional-Reserve Banking is to Production for *Profit*.

Full-Reserve Banking originated from the details of the “Chicago Plan.” The Chicago Plan was a set of banking reforms proposed by economists at the University of Chicago, the most important of them being Irving Fisher. These Chicago economists advocated for separating the process of creating Kapital from the lending of Credits. What Fisher and those men conceptualized was Full-Reserve Banking and something else called “Narrow Banking.” The latter is even more ‘radical’ by Liberal Capitalist standards than the former insofar as privatized commercial banks are restricted to only accepting deposits and withdraws of Kapital. No privatized commercial bank could offer loans without offering the Kapital that it already has deposited in accounts.

The crux of Full-Reserve Banking was described Fisher as “‘nationalize’ money, but do not ‘nationalize’ banking.” Put another way, the creation of Kapital had placed greater emphasis on the financial powers of the Central Bank. The fact that people have advocated for Full-Reserve Banking to remove Schuld from Kapital is outrageous, regardless of whether one chooses to go by Liberal Capitalist standards or even by the Work-Standard. Adopting either Fractional-Reserve Banking or even Full-Reserve Banking is insufficient in facilitating the Vocational Civil Service (VCS) Economy’s conversions of Arbeit into Geld. Therefore, it becomes necessary to envisage the Reciprocal-Reserve Banking System as being compatible with Production for *Dasein* under the Work-Standard. There are three justifications as to why:

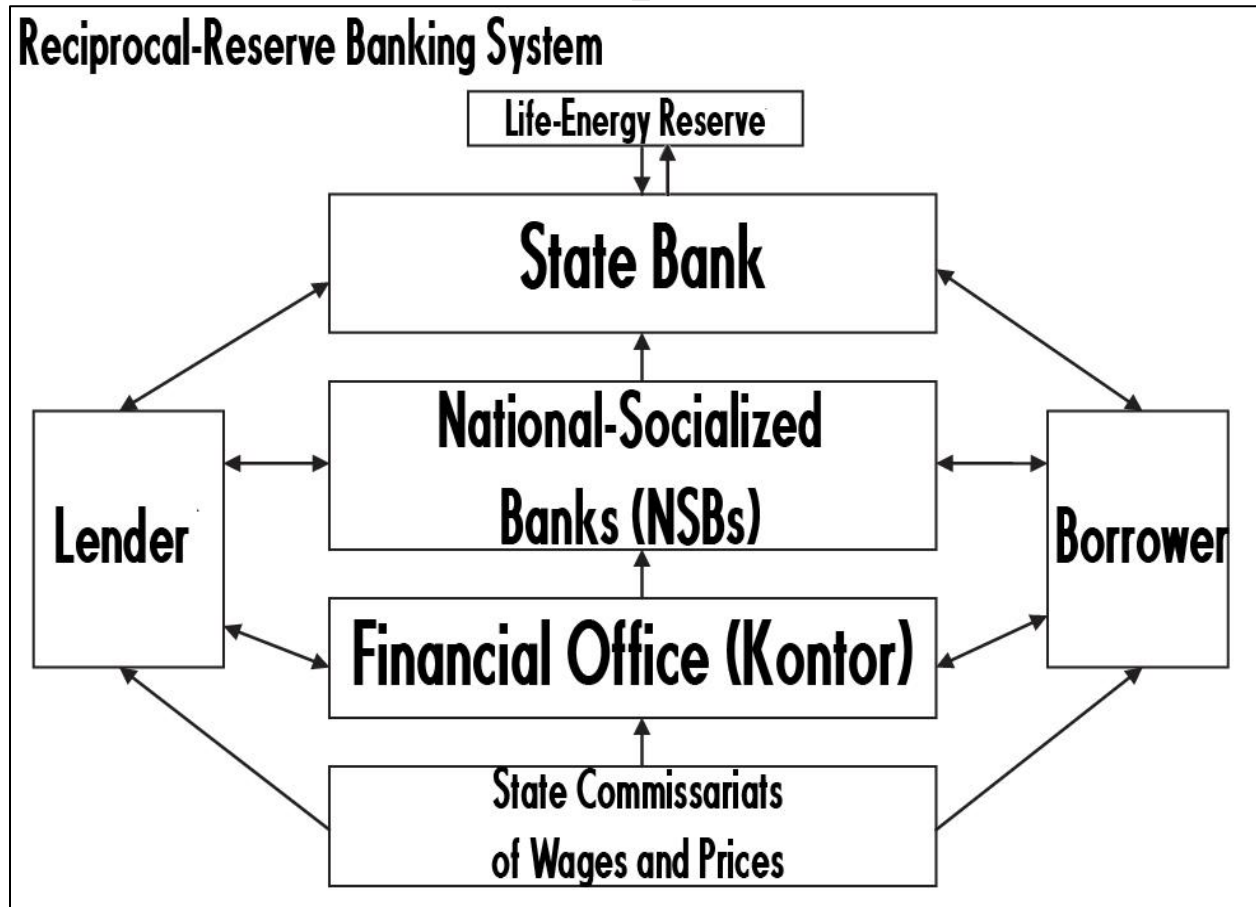
- The Central Bank’s ability to create new units of Sociable Currency is easily dependent on how the Final TPP Value, which is impacted by the amount of Arbeit and Geld that is going into the Life-Energy Reserve. The Central Bank cannot put new units of Sociable Currency into circulation that is not back by the Quality of Arbeit.
- All National-Socialized Banks (NSBs) maintain a limited amount of Actual Geld that is distributed between them by the Central Bank. The Central Bank gets that Actual Geld from the Council State’s State Budget. The State Council must decide, with the recommendations of the Ministry of Finance, exactly how much of the State Budget should be going toward the NSBs. Any Actual Geld that the Council State allocates to the NSBs are available for them to lend to potential borrowers as Work-Tenures. This is called the “Earmarked Requisition.”
- The NSBs cannot be the ones tasked with relaying information on the Final TPP Value to the Central Bank. The Economic Planners and their Accountants need special financial institutions to deposit the contributions of Arbeit and Geld from production processes and transactional sales to the Life-Energy Reserve. More importantly, the Council State will also need a special financial institution that would help them facilitate the wiring of Paygrades and Stipends to the Totality.

Borrowing a loan under the Work-Standard is going to be different from borrowing a loan under Liberal Capitalism. Those who decide to borrow loans will not be charged Interest, but they

will be charged a special “Service Fee” because they had chosen to rely on the services of the banks. This Service Fee is to be set by the Central Bank and made applicable to all National-Socialized Financial Instruments (NSFIs) under the Work-Standard. It is to be paid up front as part of most financial transactions. The banks contribute half of their Arbeit through maintaining deposits and lending; the other half comes from their clients borrowing and withdrawing Geld as part of pursuing a new Vocation or establishing their own State-Owned Enterprise. This deters Usury and the Schuld Bondage which plague banking establishments under Liberal Capitalism.

Every Work-Tenures that is issued by the NSBs are tied to the Intents of the borrower. The Borrower states that they needed a fixed amount of Geld to create their own Vocation or found their own State-Owned Enterprise. The Lender issues them the Geld under the condition that the Borrower will assume command responsibility of living economic life at their own initiative. The Borrower must pay back the Geld by contributing the equivalent amount in Arbeit. If the Borrower fail to pay back the Geld, then the bank is legally bound to charge any remaining amount as Schuld. The Borrower will then be asked to reconsider their personal pursuits, the Council State intervening to return them to their original Vocation.

Reciprocal-Reserve Banking



Author's Depiction of Earmark Requisition in the entire Reciprocal-Reserve Banking System.

Conventional banking practices will be revolutionized by the Reciprocal-Reserve Banking System. Its methodology differs from those found in Liberal Capitalism and most historical and existing Socialisms. No other Socialism has been able to realize this for reasons that pertain to the very concept of Sociable Currency being pegged to Arbeit. All National-Socialized Banks and State Banks will operate as the subordinates of the Central Bank, the Central Bank subordinate to the State Council and Heads of State and Government in the Socialist Nation. The State wields the Intents of Command and Obedience.

The State Banks are State-Administrated Enterprises (SAEs) in terms of political-economic governance. That means following the Direct Orders of the Council State itself, which involves assisting in the LER Process and in the distribution of Paygrades to the Totality. National-Socialized Banks (NSBs), on the other hand, are National-Socialized Enterprises, which means that they are somewhere between State Enterprise and Social Enterprise. Unlike the Fractional-Reserve Banking System, where it was the privatized commercial banks that helped the Central Bank decide how many units of currency could be put into circulation, it is the Totality that is helping the Central Bank decide under the Reciprocal-Reserve Banking System.

The parameters established in preceding Entries with regard to Work-Tenures deserve to be restated here. Work-Tenures are made possible because of the Reciprocal-Reserve Banking System creating a precedent in which the National-Socialized Bank offers an Interest-free loan

that has be paid off through contributions of Arbeit and Geld. The lender contributes 50% of their Arbeit to the loan the borrower contributes 50% of their Arbeit to the loan, allowing the borrower to break even or to contribute more Arbeit and Geld to the Life-Energy Reserve. To obtain a Work-Tenure, the borrower must be of a certain Social Rank and be willing to pay a “Service Fee” to the National-Socialized Bank for consulting its services.

When the borrower visits an NSB, the NSB may be expecting them to borrow a loan. The borrower is doing it on their own volition because they are convinced something needs to be done but they lack the Geld needed to make it happen. The borrower may have a payment card and they need the bank to put Geld into it to pay for something sooner rather than later. The borrower could be an artist looking to commission a new work of art that is beyond what the Council State normally allocates to them in Stipends. They might be starting their own Social Enterprise or they could be looking for potential financiers besides the Council State and Kontore.

Always remember the amount of Work-Tenures each NSB is capable of lending to potential borrowers is dependent on the Earmarked Requisitions determined by the Central Bank. The Geld that goes into each Work-Tenure has to come from somewhere. Since the State Bank are responsible for the LER Process, the Paygrades and personal savings accounts, this leaves the NSBs as the ones tasked with the issuances of Work-Tenures. Anyone who fails to pay what they owe to the NSBs will begin to accumulate Schuld as a consequence.

Furthermore, how would the Reciprocal-Reserve Banking System revolutionize the role of borrowing loans for making large-scale purchases like homes, automobiles, and higher education? What is the relationship, if any, that Schuld has with payment cards, seeing how “credit cards” as they are commonly understood do not exist under the Reciprocal-Reserve Banking System?

Under the Work-Standard, there are now additional opportunities for someone to acquire the Actual Geld in the Reciprocal-Reserve Banking System. University students pay for their education by participating in the affairs of the SSE. Paygrades, Stipends, and NSFIs are the three most common means of obtaining the Geld to buy land, buildings, cars, boats, and planes. If one’s Vocation happens to be in Social Enterprises like Cooperatives or Small Businesses, the Geld made from transactional sales can be distributed among its Civil Servants. It should also be remembered that Paygrades are adjusted according to years of service and number of dependents. The longer somebody is devoted to their Vocation, the more Geld they are likely to receive.

Young people under the Work-Standard do not have to spend a third of their adult years depending on their parents as is the case under Liberal Capitalism. In the Socialist Nation, they are entitled to receive their very own Paygrade by deciding to pursue a Vocation early on in their secondary school years. Those who do not are allowed to continue their education at the tertiary educational level or be allowed to volunteer to join the Armed Forces. For those who have not yet decided on what they want to do with their lives, they get to receive a draft card in the mail upon turning the age of eighteen.

The draft card does not necessarily have to be a three-year conscription into the Armed Forces; it can just as easily be a three-year conscription into any Enterprise that needs help from the youth. In return for committing their Life-Energy to the Vocation that they had been conscripted to serve under, the conscript will be entitled to receive a Paygrade at the same rates as a volunteer. This is their chance to save Geld for the future because the longer somebody is involved in a particular Vocation that they are called to pursue, the more Geld they will be receiving from the Council State. The Arbeit to be contributed from either decision is worth it over the long run in terms of more Geld received on a weekly basis.

Remember that a university education is going to become cheaper under the Work-Standard, especially since the Professions related to the national educational system contribute far more Arbeit and thus more Geld for the Totality. A similar occurrence will also be discerned on the assembly lines of manufactured automobiles, affected by their overall Work-Intensity (WI) in the production process and the Mechanization Rate set by the Central Bank. Housing will also become cheaper under the Work-Standard because land and buildings are not commodities in themselves; they belong to the Totality on the grounds of National Sovereignty.

In a functioning Council Democracy, the Totality governs the Council State and they own their nation and its soil, entrusting the Council State to care for the land and the buildings. The moment any citizen decides to purchase a plot of land or a building is when it finally belongs to them alone. When they sell that same plot of land or building, it is temporarily under the State's control until somebody else decides to buy it. And the people who are going to take care of that land and building until that next purchase will be the youths themselves as one of the ways they will be earning a decent Paygrade from the State.

Financial Markets and the Future

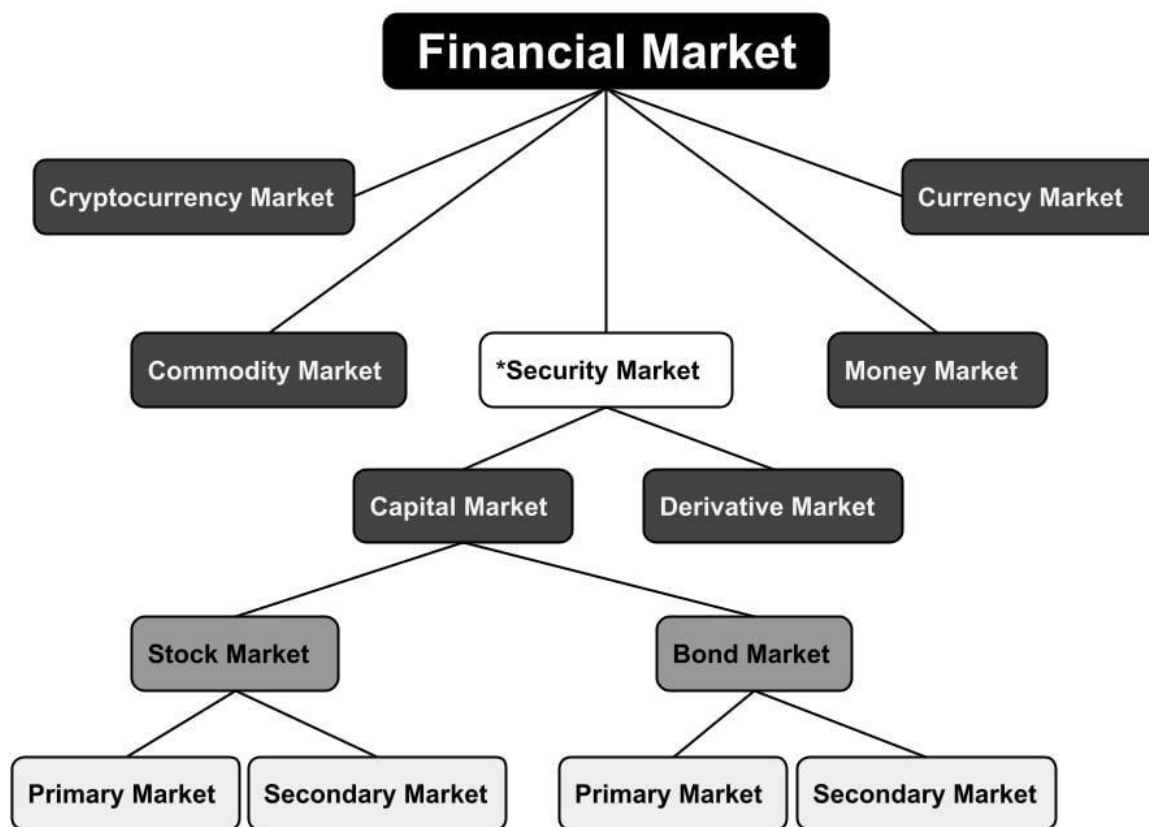
Financial Markets are one of several defining traits of life under Liberal Capitalism. They are financial institutions designed specifically to facilitate transactions pertaining to the purchase and sale of Kapital. This form of Kapital refers to the assets of Securities such as Stocks, Bonds, Futures, Commodities, Derivatives, and so forth. Financial Markets are also responsible for overseeing the Forex ('Foreign Exchange') of Currencies and more recently Cryptocurrencies. Understanding how they operate is crucial in understanding why they should be replaced with more suitable alternatives during the implementation of the Work-Standard.

Contrary to popular belief, Financial Markets are not reliable gauges for determining what *shall be* the overall health of any economy. They are at best representations of what *ought to be* the overall health of any economy. In a sense, this difference is but a well-known example of David Hume's *Is-Ought Problem* from the Enlightenment. The Financial Market is driven by the opinionated conclusions of what a select few investors would like any economy to be, rather than demonstrating an understanding of what the state of any economy is and where it is heading. If the Financial Markets claim that the economy is 'doing well', then that is their opinion and not a credible representation of actual fact.

There are several types of Financial Markets that currently exist. Each one operates on the dialectics of Kapital Lending/Borrowing. Transactions can be conducted by actual human investors or else automated on the investors' behalf by special software programs.

- Stock Markets specialize in Stocks pertaining to a stake in the ownership of firms or businesses. To 'buy' a Stock is to *borrow* ownership of firms and businesses for Kapital; to 'sell' a Stock is to *lend* that same ownership of firms and businesses for Kapital.
- Bond Markets specialize in Bonds. To issue a Bond is to lend Schuld (Debt/Guilt) for Kapital; Speculative-grade Bonds are 'Junk' while those issued by the nation-state's Financial Régime are considered 'Investment Grade' because the government was guaranteed to pay it back.
- Commodities Markets and their associated Real Estate Markets sell ownership of valuable natural resources and land. They specialize in the outright *lending* of 'Assets' or else the *borrowing* of Certificates for Kapital. Actual Kapital is lent as actual Schuld for shorter-term financing and investments, reserving the Bonds for longer-term financing and investments.
- Derivatives Markets are the byproduct of technological innovations within the emerging field of financial engineering after the death of Bretton Woods. Derivatives are a form of Kapital whose Value depended on 'Underlying Statistical Correlations' in an Asset or a basket of Assets, Interest, another Derivative, or an Index. While Derivatives include all forms of Insurance, Collateralized Schuld Obligations and Credit Default Swaps according to the Timing of their payment: Over-the-Counter ('Now'), Spots ('Imminent'), Swaps ('Soon'), Options ('Eventual'), Futures ('Later'), and Forwards ('Someday').
- Interbank Lending Markets offer more of the same *borrowing and lending*, but between privatized commercial banks and the Central Banks of Financial Régimes. This is where the Central Bank will oversee its operations ranging from setting Interest Rates to conducting Quantitative Easing (QE).

- Cryptocurrency Markets represent the latest development in the growing abstractness of Kapital. Operating on parameters comparable to the Forex Market, they consume copious amounts of electrical power and computer power to facilitate the Blockchain required for the production and distribution of cryptocurrencies. They are often unstable and prone to fluctuations in terms of Currency Depreciation/Appreciation due to lacking the stability of actual Currencies.
- Forex Markets are arguably the simplest and most fundamental of the Financial Markets. They are responsible for overseeing the exchanges of Currencies according to the Incentives of Supply and Demand. They determine the Value of any traded Currency based on its given Price. The Price of the Currency, due to the widespread prevalence of Floating Exchange Rates after Bretton Woods, is beholden to the whims of the Forex Markets.



* Security Market is a place where securities (a type of financial instruments) like stocks, debt securities and derivatives are traded and therefore Capital and Derivative Market fall into this category.

As stated earlier, almost everything about the Financial Markets revolves around the borrowing and lending of Kapital, with or without Interest. It is true attempts have been made in the past by the Planned and Command Economies of the 20th century to forgo Financial Markets. Basically, this was done as a result of having the State itself set and enforce the Pricing of everyday goods and services by governmental bodies of economic planners. The problem with that arrangement is identical to the same problem with Financial Markets: they too are driven by opinionated conclusions that are not only reflective of actual economic conditions.

Rather than try to play into the follies of Financial Markets by operating within their own framework, what the Work-Standard truly needs is a viable alternative to them. It would entail the creation of two different financial institutions attuned to the specifications of the Work-Standard, where the dialectic of lending and borrowing and its Incentives of Supply and Demand are predominantly supplanted by the gifting and receiving of Arbeit and Geld under the Intents of Command and Obedience. In essence, Arbeit can be exchanged into Geld and Geld exchanged back into Arbeit. Such financial institutions would then be owned and operated by the State, tasked with relaying information to and from all sectors of economic activity. Another would also be assigned to help the Council State determine the pricing of goods and services.

I have explored those two financial institutions in earlier Entries insofar as they are both part of the Reciprocal-Reserve Banking System. I am of course referring to the State Commissariats and the Kontore. What deserves to be mentioned here is that those two play important roles in the conduct of Mission-Type Economic Planning.

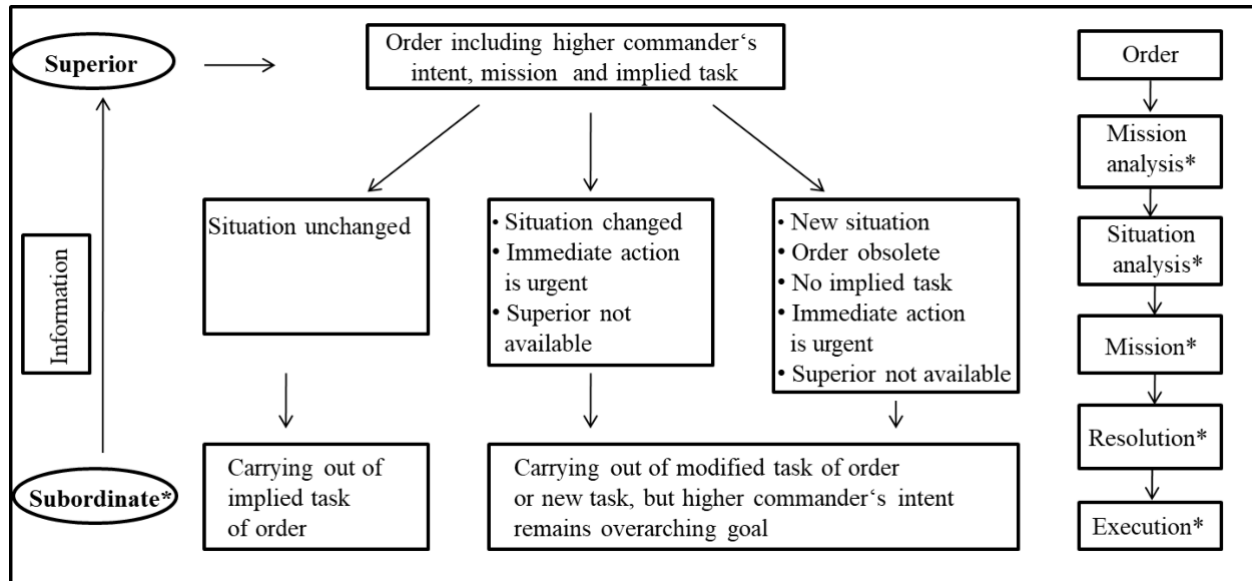
Historically, the term 'Kontor' originates from the trading posts historically associated with the Hanseatic League or 'Hansa'. The original Kontore facilitated international trade between member-states affiliated with Hansa, which was in many respects a military and economic pact comparable to the Eastern Bloc's CMEA (Council for Mutual Economic Assistance) and Warsaw Pact. Those two Soviet-era institutions are appropriate analogies for understanding Hansa because the Hanseatic League was neither a nation-state nor a confederation of nation-states. Rather, it was an alliance of small German states united under the Holy Roman Emperor of the German Reich. Their semi-autonomous nature, as evidenced by their activities from London to Novgorod, is highly suggestive of the fact that while they governed themselves within their own transactions, they were still subordinate to the legal jurisprudence of their hosts.

The Kontore intended to operate under the Work-Standard is designed specifically to facilitate the Synchronicity between the State's fiscal and monetary policies and the national economic and financial structures. By achieving this arrangement, a Vocational Civil Service Economy is capable of enhancing the benefits of the Planned or Command Economy while at the same time mitigate the inherent flaws as well. Thus, rather than the Lending/Borrowing of Kapital and Schuld, each 'Kontor' relies on the dialectic of "Sending/Receiving" of Arbeit and Geld. In the most fundamental form of their dialectics, somebody 'sends' their Arbeit to the State as part of pursuing their Vocations as civil servants and they in turn 'receive' Geld from the State.

The Kontore of the Work-Standard are also responsible for the issuances of National Socialized Financial Instruments (NSFIs). NSFIs employ some variation of the Sending/Receiving of Arbeit and Geld, which is what separates them from the LCFIs (Liberal Capitalist Financial Instruments) commonly associated with Financial Markets. The goal of relying on NSFIs as an economic plan in its own right is to provide the flexibility and versatility that is lacking in Four-Year and Five-Year Plans. A further study into the details of NSFIs will require a subsequent entry.

Serving alongside the Kontore are the State Commissariats of Wages and Prices. The Commissariats, as their name implies, are responsible for helping the Council State set the official rates for the Paygrades of the Socialist Nation and the Prices of all goods and services. These institutions operate under the Regional Governments, tasked with striking the right balance between the Quality of goods and services and the Frequency for those same goods and services. They additionally share the secondary task of overseeing any and all disputes among Civil Servants and Administrators of individual Enterprises and Industries.

Mission-Type Economic Planning



National-Socialized Financial Instruments (NSFIs) are designed to not only allow the Kontore to become proper alternatives to Financial Markets, they also overcome the well-known shortcomings of most conventional types of economic planning. Their goal is to realize the conceptualization of an entirely different type of economic planning unlike STEP (Soviet-Type Economic Planning) and PTEP (Prussian-Type Economic Planning). This “Mission-Type Economic Planning” (MTEP) takes its inspiration from the Prussian “*Auftragstaktik*” (Mission-Type Tactics) by reapplying it to economic and financial contexts. Understanding the secrets behind MTEP and its relationship with NSFIs requires a careful definition of *Auftragstaktik* in its original Prussian conception.

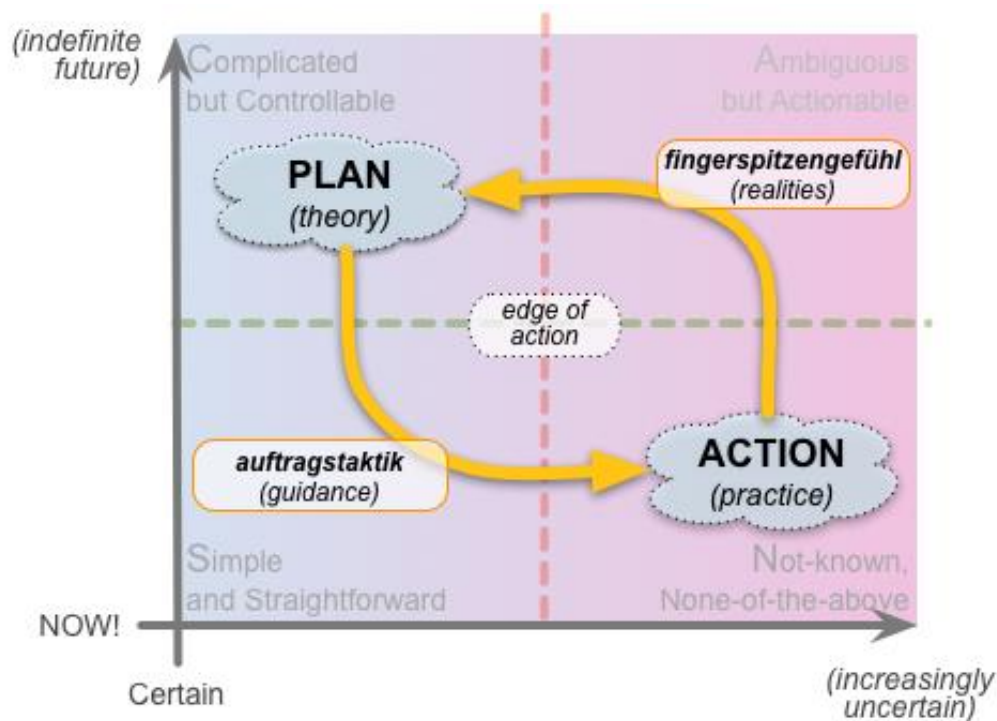
Auftragstaktik was developed by the Prussian armed forces as a consequence of military defeats during the Napoleonic Wars, particularly in the wake of the Battle of Jena in 1806. The use of “*Befehlstaktik*” (Order-Type Tactics) during the Napoleonic Wars proved disastrous in maintaining cohesion and minimizing misunderstandings between the commander’s Intent and the actions of their subordinates. Unlike *Auftragstaktik*, *Befehlstaktik* paid greater attention to the means by which subordinates carried out their orders, with the superiors focusing less on the outcome of those orders. This discouraged initiative from the subordinates and overburdened the superiors with a deluge of conflicting orders and responses as well as struggling to maintain cohesion in the heat of battle.

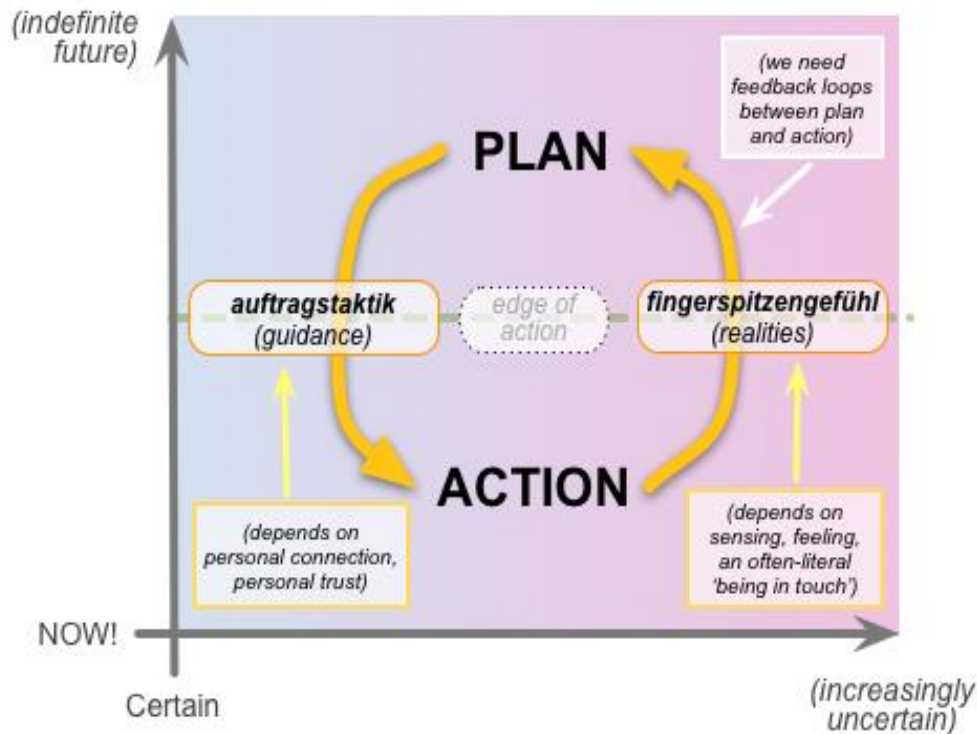
By reforming their armed forces after the Napoleonic Wars, the Prussians introduced *Auftragstaktik* as a cultural philosophy, rather than an actual military tactic per se. They wanted to reduce over-centralization within their general staff and the over-dependency of field officers and subordinates to expect orders from superiors. The best way to define the core fundamentals of *Auftragstaktik* can be described by the following paragraphs.

Great emphasis is placed on the outcomes of the commands given from superiors to their subordinates, giving them both the means to carry them out and an allotted timeframe by which to do so. A strong bond of mutual trust and camaraderie among the ranks is allowed to develop as the subordinates strive toward leadership and professionalism by an educational system that inculcates that command culture and the Socialization that is more commonly associated with the Solidarity of Socialism. Enabling the Socialization and the inner-feeling of Solidarity between the superiors and the subordinates is the Intents of Command and Obedience. Yes, the same Intents of Command and Obedience that is antithetical to the Incentives of Supply and Demand.

Latent character traits among individuals demonstrating a joy and love of taking on the higher responsibilities of service within one's Vocation in Life, knowledgeable expertise, independence, self-reliance and self-organization are demonstrative of excellent leadership. Those traits should be refined further at educational institutions in order to realize their fullest potential. Such Individuation will prove necessary in order to emphasize initiative and swift action without having to wait for superiors to receive access to perfect information in conditions where communications tend to become muddled and reliable information is scarce.

One cannot always expect to be given orders all the time and expect the superiors to tell the subordinates what has to be done. It becomes necessary for the subordinates to eventually demonstrate leadership and take the initiative on their own until a new set of orders arrive from their superiors. Awareness of the "*Selbständigkeit*" (change of orders) is crucial in knowing when to disregard one's orders. This is because *Auftragstaktik* is not an excuse to do as one pleases or commit actions that could violate their orders without understanding the Intent behind why those orders were originally issued. As long as the Intents of Command and Obedience are maintained, any old orders can be safely disregarded by newer ones as conditions change. The following diagrams demonstrate the thought processes behind *Auftragstaktik*:





Like the Central Planners and the Superintendents, all Economic Planners, Accountants, Inspectors, and State Commissars are expected to be educated at special higher institutions intended to foster any latent talents of administration, monetary and fiscal policies, macroeconomics and national finance. The curriculum is designed to be as rigorous as the one for the general staff of an armed forces. A part of their schooling, they will have them be properly acquainted with hands-on training and experience in the Vocational Civil Service (VCS) Planned/Command Economy through the SSE and its Student Tournament. They will tour the various workspaces among the Student Enterprises, acquainting themselves with the various Professions and Vocations that they will be assigned to upon graduation.

Furthermore, it is due to *Auftragstaktik* being capable of reapplication within economic and financial contexts that the concept of Mission-Type Economic Planning (MTEP) becomes feasible. *Auftragstaktik* does require some level of organized centralization, which in turn necessitates the need for a special educational curriculum for those intimately involved in the LER Process. The Intents of Command and Obedience are essentially what separates MTEP from the more 'decentralized' and 'indicative' types of economic planning employed in certain Western countries like France or Japan. And it also those same Intents that has made the conceptualization of the NSFI so promising for the Work-Standard.

An NSFI is best understood as embodying characteristics of a financial instrument and an economic plan. The simplest and most fundamental variants are the Four-Year and Five-Year Work-Plans, which are issued by the State at the Kontore. A Work-Plan may be purchased by an individual Self, the members of a local Guild or an Enterprise. The execution of a Work-Plan will affect the economic activities of State Enterprises, Social Enterprises, Student Enterprises, Digital Enterprises and Foreign Enterprises.

The secret of the Work-Plan is the convertibility between the amount of Arbeit contributed from the recipient to the State. Each Work-Plan will provide the Investor with the necessary education and means to execute it. And on a specified "Maturity Date," preferably within the given

timeframe, the State will pay the recipient the amount listed on the Work-Plan itself. This in turn overcomes the need to maintain Kapital to facilitate the borrowing and lending of Liberal Capitalist Financial Instruments (LCFIs) for Schuld (Debt/Guilt) with or without Interest. Instead of the LCFIs' dialectics of Kapital and Schuld, all NSFIs rely on Arbeit and Geld.

Issuance of Work-Plans at the Kontore has an Economic Planner, usually the one assigned to the Enterprise that the Work-Plan affects, working alongside the Investor in carrying out the terms of the Work-Plan. The Economic Planner serves as the intermediate between the Central Planners and the recipients of the Work-Plan, their Accountants acting as their assistants. Once the Maturity Date has passed, the Economic Planner becomes no longer responsible for overseeing the economic activities of the Investor.

Should there be an inexplicable event that prevents the recipient of an NSFI from contributing Arbeit, anything from accidental injury or death to a declaration of war or political turmoil, a premature cancellation the NSFI is likely. If that happens, Kontore will have ample reserves of Geld available as Earmarked Requisition from the Council State to immediately pay compensation for the sudden end of any and all NSFIs.

Granted, it is possible that the Work-Plans may not be the only kind of NSFIs available. It may become feasible to envisage other NSFIs intended to replace the need for any and all LCFIs at the Kontore. Whether they will be elaborated upon in sufficient detail is the topic of a future entry to the Compendium.

Financial Instruments of the Kontore

The National-Socialized Financial Instruments (NSFIs) of the Kontore function differently from the Liberal Capitalist Financial Instruments (LCFIs) that are found at the Financial Markets. They operate according to the interplay between Arbeit and Geld and the Intents of Command and Obedience. Certain NSFIs are designed to act as reserves of Arbeit and Geld that can be mobilized by the Council State and the Totality, allowing for a massive injection of Arbeit and Geld into the VCS Economy, the SSE or the National Intranet as needed. Kontore are also authorized to sell the raw materials harvested from natural resources as the Equipmentalities with specific Reference and Relevance in mind. They can facilitate transactions pertaining to the conversion of the nation's Currency into that of another Currency.

The largest NSEs at the Kontore are going to be NSBs (National-Socialized Banks) issuing larger *Work-Tenures* to cover the creation of new Vocations among enterprises. They can also facilitate the entry of foreign enterprises from nation-states also operating under the Work-Standard. Any foreign enterprise that wishes to establish branches in the Socialist Nation will be dealing with the economic planners assigned to the Kontor of a major city or metropolitan area.

Just as how the State Commissariats prohibit "labor strikes" and "lockouts" within the workspace and any one-sided negotiations for higher wages, the Kontore also prohibit "asset speculation." Speculation is a commercial device hostile to the interests of the Council State and definitely harmful to the Totality's livelihood. Anyone who feels a genuine need to seek a *Transvaluation of all Arbeit*, including the Prices of certain goods and services, will be asked to report to their local state commissars at the State Commissariat of a major city in their area.

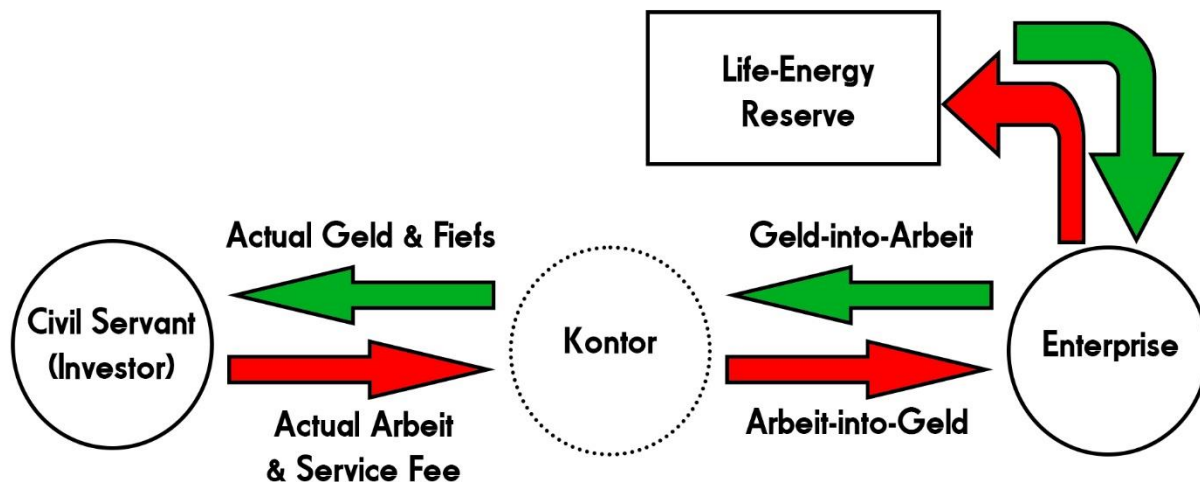
Each Kontor is comprised of eight Offices, six of which are dedicated to the issuance of specific types of NSFIs. Its jurisdiction encompasses that of a Regional Government, with local branches serving the Municipal Governments. One Office is tasked with fostering the encouragement of foreign investment by Foreign Enterprises, selling Domestic NSFIs to Foreigners and Foreign NSFIs to the Totality. The last Office is primarily administrative, consisting of detachments of Central Planners and Superintendents in charge of subordinate Economic Planners and Accountants as well as State Commissars and Inspectors. The role of that last Office is to conduct the everyday operations of a Kontor and its various local branches.

'Office 1' deals with "**Fiefs**," the investments of Life-Energy into the Arbeit of an enterprise by vocational civil servants. Someone's involvement here has the potential convince the State Council that this person and everyone else deserves a larger Paygrade next week. They replace the need for stock markets and labor markets, low-paying temporary work and independent contracting of the gig-economy and deliver some much-needed respect to those doing menial tasks. These include and are never limited to delivering everyday mail and goods ordered from eCommerce websites, flipping burgers behind the grill, taking orders at a restaurant waiter, hospitality and catering, manning the receptionist desk at office buildings and those other 'boring' assignments that most people tend to look down on under Liberal Capitalism.

By purchasing Fiefs and paying all Service Fees, Investors invest in an Enterprise by directly engaging in its production process and transactional sales, essentially establishing a temporary Vocation that can become permanent with the approval of the Enterprise's Administrator. The Council State will ensure that the Investors' room and board is paid for at the behest of the Kontore. But there is another variation of the Fief that is worthy of mention. In addition to the ability for Enterprises to receive additional sources of Arbeit from Investors, the

personnel will also be able to gain shares in the State Funds of certain Social Enterprises such as Cooperatives and Small Businesses through Fiefs.

The practice of gaining a share of a Social Enterprise by a Civil Servant with a Vocation in that Social Enterprise is called “**Life-Energy Charging (LEC)**.” Social Enterprises like Cooperatives, Small Businesses or Workshop form the foundational bedrock of the economic activities in the VCS Economy and the SSE. Where State Enterprises provide goods and services geared toward mass production processes, Social Enterprise are more likely to specialize in niche mass customization processes. This in turn gives Social Enterprise additional Intents to achieve Economic Socialization with Fiefs and enhance their overall Solidarity Rate by diversifying their economic activities beyond their primary production process.



Author's Diagram depicting Actual Arbeit being turned into Fiefs vis-à-vis Life-Energy Charging (LEC)

'Office II', the other important segment of the Kontor, provide “**Work-Plans**” issued by the Council State, the State Enterprises, and Social Enterprises of the VCS Economy, the Student Enterprises of the SSE, and the Digital Enterprises of the National Intranet. In a functioning Council Democracy, the Delegates of each Enterprise convene regular meetings with the Administrator and the Economic Planner on the current state of affairs. The Delegate may propose the issuance of Work-Plans with the approvals of the Economic Planner and the Administrator. The Council State, meanwhile, is guaranteed to issue Work-Plans regardless of whether the Enterprises are issuing them.

Work-Plans are assignments related to one's Vocation as part of climbing the Social Ranks and for those willing to demonstrate industriousness and ambitiousness within challenging tasks. A Work-Plan may be designed to be either long-term participation to the production processes and transactional sales of an Enterprise or involve carrying organizational projects, programs and initiatives that an Enterprise needs additional manpower. Most Work-Plans last four or five years, but arrangements can be made with a Kontor to issue special Work-Plans applicable to twelve-month or ten-year timeframe. Each Work-Plan is administrated by an Economic Planner, usually the one assigned to the affected Enterprise. For Work-Plans issued by the Council State, the Economic Planner may sometimes be the one that issues the Work-Plan to the Investor back at

Office II. In any case, the Economic Planner and Investors are responsible for the completion of the Work-Plan prior to its Maturity Date.

All Work-Plans have a Maturity Date. If an Investor succeeds in completing the goals outlined in the Work-Plan two or more years before the Maturity Date, they are entitled to receive an additional Stipend from the Council State in recognition of their achievements. If the Investor turns in the Work-Plan within two years before the Maturity Date, they will only receive the Actual Geld at face value. But should the Investor decide to turn in the Work-Plan less than three months after the Maturity Date, they will receive half of the Actual Geld. However, if more than three months have passed and the Investor turns in the Work-Plan, they will also receive a fixed sum of Schuld from the Kontor for failing to take the initiative of turning in the Work-Plan on schedule.

'Office III' is involved in transactional sales of Equipmentalities and is split into suboffices. **"Group A"** provides Enterprises and Industries in the Natural Sector of the VCS Economy with ample amounts of Actual Geld from the Council State and Investors. State Investments from the former are spent on the harvesting of natural resources and their subsequent conversion into Equipmentalities. *Group A* can also issue Equipmentality NSFIs to potential Investors interested in participating in the production processes of those same Enterprises and Industries or the transactional sales of the Equipmentalities at the Tournament. Investors engaged in the former may be allowed to convert their investments into new Vocations; those who assisted in the Transactional Sales are entitled to receiving a Stipend from the Council State.

"Group B," on the other hand, is tasked with the transportation, distribution and delivery of the Equipmentalities procured by Group A. The same Equipmentality NSFI rules associated with Group A are also applicable to Group B. Investors who are engaged in the affected production processes may be rewarded with their own Vocations. Those who assisted the transactional sales will instead receive a Stipend. Either way, the State Commissariats reserve the final authority on how much Investors would receive in Stipends, assuming the Investors had decided to participate in the production processes and refused to convert the Equipmentality NSFIs into Vocations.

The official designation of **'Office IV'** is "Currency Conversion." It oversees the exchanges of the Socialist Nation's Sociable Currency into other currencies, including those from any countries that are also pegged to the Work-Standard. The Central Bank is responsible for setting the official Exchange Rates between the Sociable Currency and all other currencies. Depending on whether the World State Organization (WSO) exists, Office IV may issue FECs (Foreign Exchange Certificates) to any Foreigners who happen to be Investors. FECs are designed to limit the amount of Foreign Geld that Foreigners are allowed to obtain from the Socialist Nation outside of contributing their Arbeit to the Life-Energy Reserve.

Alternatively, Office IV could allow the Totality to exchange their Sociable Currency into the official World Reserve Currency of the World State Organization. Those concerned about the influence of Cryptocurrencies in the National Intranet will be reassured that this is also the same place for matters related to the Work-Standard within the Digital Realm. This includes the automated processing of transactions into different currencies and the tracking of their movements across international borders.

The Earmarked Requisitions of State Banks and National-Socialized Banks in the Reciprocal-Reserve Banking System is handled by **'Office V'**. This particular segment of the Kontor is involved in the allocations of Actual Geld intended for the lending of Work-Tenures by the NSBs. How much Geld that Office V can provide to all NSBs in the Socialist Nation is determined by the Central Bank at the behest of the Head of State and the State Council. With regard to the State Banks, Office V assists them in overseeing the distribution of Paygrades. Should

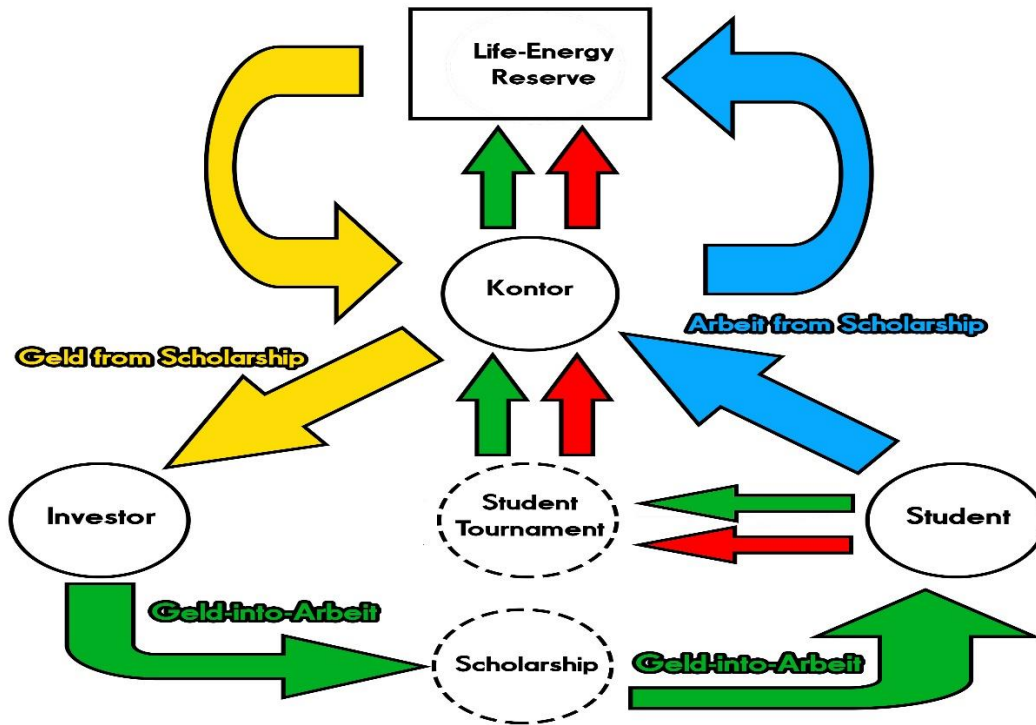
any State Banks or NSBs find themselves in need of additional Actual Geld, Office V will be the one to provide additional Actual Geld as well as Schuld for failing to avoid any deficits.

‘Office VI’ plays an important role in the Reciprocal-Reserve Banking System as far as the VCS Economy, SSE, National Intranet and the Council State are concerned. Its official designation is known as “Priority Requisition (PR).” Exactly what PR pertains to can be discerned from the designations of the four Groups that comprise Office VI. Those four Groups are known as **“Non-State Research and Development,”** **“Technical Patents and Field Prototype Evaluations,”** **“Intellectual Property and Mass Communications,”** and **“Non-State Acquisitions and Strategic Investments.”**

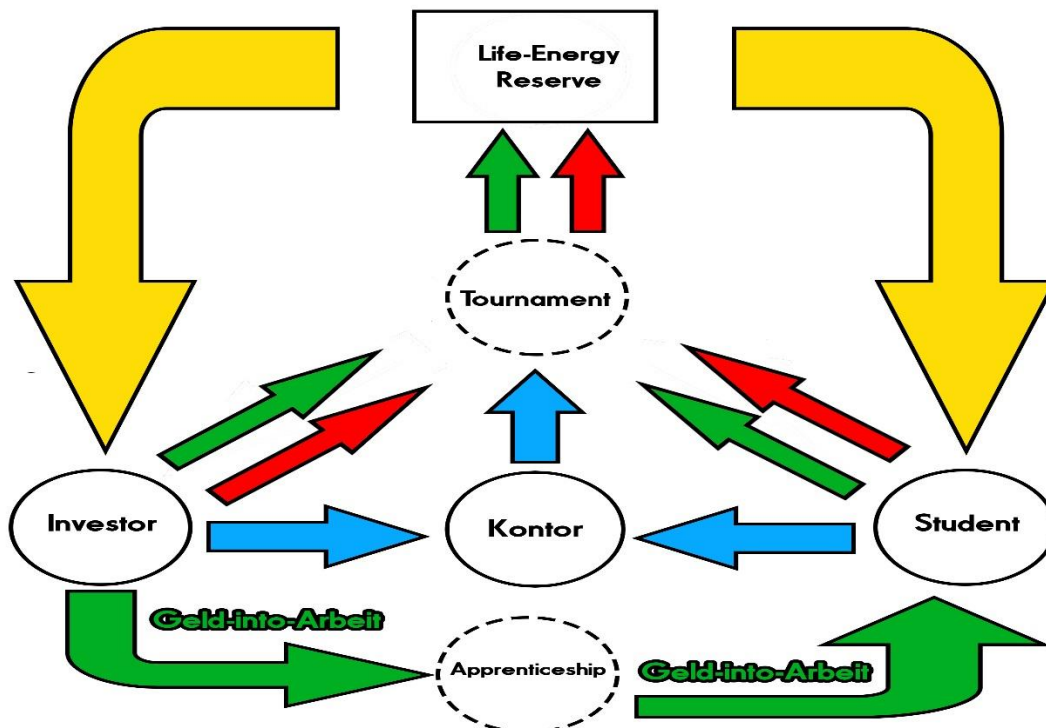
“Group A” handles the allocations of State Funds toward research and development projects as well as the deployments of any new technologies, including those related to the Central Bank’s Mechanization Rate. **“Group B”** provides Technical Patents and Production Licenses as well as oversee the prototype demonstrations of technologies developed by State Enterprises and Social Enterprises. **“Group C”** oversees all of the Arbeit-into-Geld conversions from economic activities related to Social Media and Student Media, especially those related to Digital Enterprises. But neither of those Groups hold a candle to the endeavors of **“Group D.”**

The Economic Planners and Inspectors of Group D offer NSFIs that facilitate secondary allocations of Arbeit, Geld, and Equipmentalities to the SSE, VCS Economy, Reciprocal-Reserve Banking System, Council State or National Intranet. They provide the means by which the wealthiest among the Totality invest much of their wealth back into the Socialist Nation. Donations and fundraising are overseen by Group D. Group D is also tasked with the issuance of three special NSFIs exclusive to the SSE and supported by the wealthiest among the Totality. These three special NSFIs are called **“Scholarships,”** **“Apprenticeships,”** and **“Sponsorships.”**

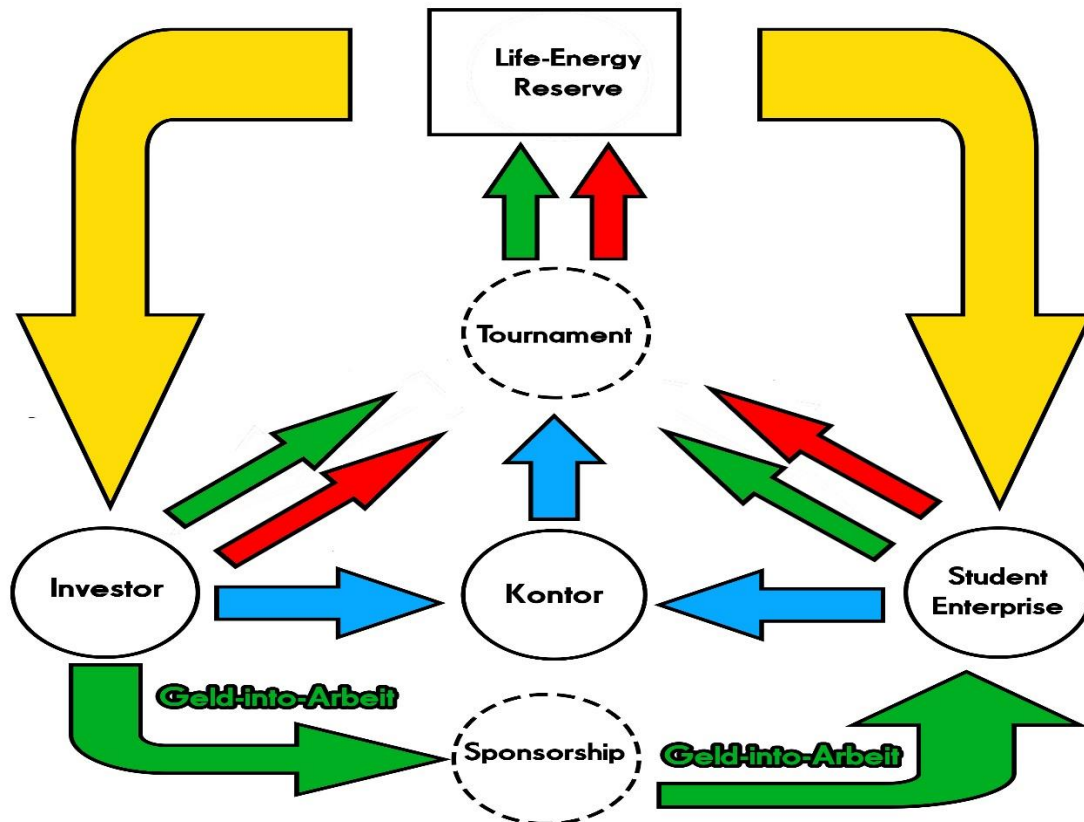
Scholarships function as the NSFI for Students who need Arbeit, Geld and Equipmentalities for their official ventures as part of the SSE. An *Apprenticeship* functions in a similar manner except it applies to their Vocation as part of a Profession in an Enterprise in the SSE or the VCS Economy. The same can be said for the *Sponsorship* being the equivalent for establishing new Enterprises for either the SSE or the VCS Economy. Eligibility for all three depends on the Social Rank of the recipient. The Service Fee will be charged to the recipient instead of the wealthy. Moreover, the Council State may confer *Scholarships*, *Apprenticeships*, or *Sponsorships* to Students as Prizes.



Author's Diagram of the Scholarship NSF. With it, the Student creates a secondary source of Arbeit in return for the Investor's Geld, the Investor to cashing in the NSF after the Maturity Date.



Author's Diagram of the Apprenticeship NSF. Here, the Investor and Student both work together within an Enterprise to reap Actual Geld from secondary and tertiary sources of Actual Arbeit.



Author's Diagram of the Sponsorship NSFI. Similar to the Apprenticeship NSFI, the Sponsorship NSFI involves the same operation, except it involves one Enterprise from the VCS Economy asserting Command Responsibility over an entire "Student Enterprise" from the SSE. The Student Enterprise becomes the Subsidiary of its new parent Enterprise. And like the Apprenticeship NSFI, the Sponsorship NSFI allows those two Enterprises to create secondary and tertiary sources of Actual Arbeit, which can then be converted into Actual Geld.

The last two Offices are concerned with the Economic Foreignization and the Economic Governance of the Kontor. The affairs of Foreign Enterprises and the activities of State, Foreign, Student and Digital Enterprises outside the Socialist Nation fall under the purview of **'Office VII'**. Investors must be bilingual, be familiar with other cultures and demonstrate a willingness to work alongside Foreigners within the Office's two Groups. "**Group A**" coordinates Enterprises operating outside the Socialist Nation, whereas the oversight of Foreign Enterprise pertains to "**Group B**." The size and composition of Office VII is affected by the Council State's Real Trade Agreements (RTAs) with other nations. In command of all seven Offices is **'Office VIII'**, designated "Administrative Faculty." There are separate detachments of Central Planners and Superintendents that participate in these Kontore, both of whom have their own subordinates embedded in each of the other seven Offices and their corresponding Groups.

Wartime Preparations and the Work-Standard (Pt. 1 of 3)

The State of Total Mobilization has made it possible for nations to sustain large-scale war efforts in ways that would have been unthinkable prior to the Industrial Revolution. Here, Production for *Profit* exists in unison with Production for *Utility* to help Parliaments develop arsenals of weaponry and raise armies and navies for the purposes of maintaining the hegemony of Neoliberalism. Meanwhile, in Production for *Dasein*, the Socialist Nation relies on the Work-Standard to defend itself militarily.

Command Structure of the Council State

Whether the Socialist Nation is at war or in peace, it always helps to understand how the Council State is organized as part of the Political Organization Problem established earlier in this Section. The Socialist Nation is governed by the Council State, which operates under a functioning Council Democracy. The People's Party and its United Front are in control of the State Council, the Head of State is the State President, and State Chancellor is the Head of Government. The Council State maintains a Judiciary, a "Supreme Court," to set the parameters of constitutionality and to preside over the national legal system. The State President has a Cabinet of Ministers who are designated as the "Council of Ministers." There are fifteen Ministries in the Socialist Nation.

The "Ministry of Foreign Affairs" conducts diplomacy with foreign nations on behalf of the Socialist nation. They are responsible for the establishment of Embassies and Consulates, establishing the National Intranet's connection to the International Internet and any other National Intranets, and the economic and financial activities of any Enterprises operating abroad. For the Student Government, all Student Enterprises cannot operate in other countries without the authorization, approval and support of the Ministry of Foreign Affairs.

The Council State's own contributions of Military Arbeit and Military Geld as well as those from the VCS Economy originate from three specific Ministries. The "Ministry of War," "Ministry of Intelligence," and "Ministry of Energy and Armaments Production" pertain to the armed forces, intelligence services, spy satellite, superweapons, and the procurement of armaments, ordnance, vehicles, warships, warplanes and so forth. The General Staff of the War Ministry has Departments" and "Offices in charge of the various branches of the Armed Forces of the Socialist Nation. The Intelligence Ministry is responsible for gathering and collecting of intelligence from the War Ministry and the Foreign Affairs Ministry. Any and all information will be shared with the State President, State Chancellor and, if necessary, the State Council.

The Ministry of Energy and Armaments Production is responsible for much of the Military Arbeit and Military Geld that comes from the Administrative Sector of the VCS Economy. It is here where the Military-Industrial Complex becomes relevant insofar as most of the Enterprises found under its oversight are related to the Armaments Industry. Any other Enterprises not related to the Armaments Industry are involved in the production of energy sources for the Totality.

The "Ministry of Economics," "Ministry of Finance," and "Ministry of Transportation" all pertain to the everyday affairs of the VCS Economy, the Reciprocal-Reserve Banking System, all State Banks, National-Socialized Banks, State Commissariats and Kontore. The Ministry of Economics is where the Central Planners are located, who also have subordinate Economic Planners and Accountants embedded in every Enterprise in the VCS Economy and National Intranet. Their counterparts in the Ministry of Finance, the Superintendents, preside over State Commissars responsible for the everyday operations of the State Commissariats. The State

Commissars oversee entire groups of Inspectors assigned to the various Enterprises within the jurisdiction of a Regional Government.

The mass transportation systems and national infrastructure that the Totality depends on fall under the dominion of the Ministry of Transportation. The Transportation Ministry oversees the construction and maintenance of highways, railways, seaports, and airports. They are also responsible for the operation of the transportation systems, with branches across the various Regional and Municipal Governments of the Socialist Nation.

The “Ministry of Justice” and the “Ministry of Health” pertain to the emergency services. The Justice Ministry maintains a national police force, attached to the Central Government, that works with fire departments and policy agencies among the Regional and Municipal Governments. It is also in charge of the Socialist Nation’s penitentiary system, cooperating with the Judiciary in charge of its legal system. The Ministry of Health maintains the national healthcare system, which is tasked with the construction and maintenance of all healthcare facilities. It assists the Regional and Municipal Governments with the operation of those same healthcare facilities and the Medical Professions that will be operating in them. State Enterprises responsible for the production of pharmaceuticals and medical equipment are governed by the Ministry of Health.

The “Ministry of Interior” is in charge of the lands and buildings not owned and operated by the Totality or the Council State. Any land and buildings that are not owned by anyone belongs to the Council State. The Totality entrusts the Council State to look after those lands and buildings until the time comes for when they will be sold or granted to potential buyers and recipients. Outside of the distribution and allotments of land and buildings, the Interior Ministry has the necessary task of taking care of the land and looking after it.

The rest of the Council of Ministers are the “Ministry of Education,” the “Ministry of Science and Technology,” the “Ministry of Religious Affairs,” the “Ministry of Autonomous Regional Affairs,” and the “Ministry of Culture.” The national educational system, the SSE and its Student Government are all part of the everyday activities of the Education Ministry, from nurseries and kindergartens to the most prestigious universities. The Student Tournament and the Student Enterprises that operate in it fall under the purview of the Education Ministry.

The Ministry of Science and Technology fulfills two functions. The most important and mundane function is to act as the spearhead of the Council State’s research and development programs, in addition to facilitating any and all issuances of production licenses and technical patents. Its other function is related to the Digital Enterprises involved in the National Intranet as part of the VCS Economy’s Information Sector.

The Religious Affairs Ministry is the Council State’s direct line to the ecclesiastical authorities. Religious Vocations are capable of contributing Arbeit and Geld to the Life-Energy Reserve. The Ministry is responsible for overseeing their contributions and collaborates with the Ministry of Education to ensure that the standards of the Socialist Nation’s religious educational institutions are on par with the rest of the national educational system. The Autonomous Regional Affairs Ministry fulfills a similar role, except it is more concerned with the contributions of Arbeit and Geld by Foreigners and their people’s communities. Since the Totality is not assumed to be an ethnically homogenous whole, it is necessary for this Ministry to preside over the economic activities of Foreign Enterprises any Foreigners who have Vocations in the Socialist Nation among the VCS Economy’s Enterprises and Professions.

Finally, the Ministry of Culture is responsible for the Socialist Nation’s State Media, Social Media, and Student Media. It works alongside the Ministries of Science and Technology and Education to preside over the countless different publications and outlets that comprise mass

media. Its Departments and Offices are tasked with overseeing their contributions of Arbeit and Geld, the issuance of Stipends from the State Council, and the promotion of the Tourist Industry.

The post-1945 world has lived under the shadows of digital technologies and nuclear weapons. We live in a world where the smallest technological mistake can bring about the end of the world, and there have been moments in the Cold War where such a thing could have happened. To prepare for the unthinkable, the possibility of total war, the Council State shall maintain a hidden parallel government of handpicked successors from its own Social Ranks with the Intent of maintaining its Continuity of Government (COG) plan. Anyone with a high enough Rank within the Ministries of the Council State is eligible, which can include mid-level officials from the People's Party and the United Fronts as well as the various State Functionaries from the Student Government under the Ministry of Education.

The State's COG plan goes live once war has been declared. All handpicked successors have direct orders under the Constitution to be whisked away from their government offices in the opening hours and sheltered in undisclosed deep underground command bunkers throughout the Socialist nation. If the whole line of succession is either killed, incapacitated or captured by the enemy, or if their whereabouts cannot be located beyond the mist-shrouded fog of war, they have a Constitutional Obligation to take over the roles of the central government and lead the war effort.

Preparing for Peace

All Enterprises under the Ministry of Energy & Armaments Production are State-Administrated Enterprises (SAEs) that are owned and operated by the Council State. These SAEs maintain a direct line with the General Staff in charge of the Ministry of War. The Armaments Industry may be producing NATO STANAG (STANardization AGreement) or old Warsaw Pact materiel under production licenses. Alternatively, they could manufacture domestic weaponry. In any case, the overall firepower of contemporary armaments since the Cold War are impractical for a large-scale conflict. The General Staff at the Ministry of War should be aware that, no matter how much Geld is allocated to the Armed Forces, the materiel needs to be practical and cheap enough to replace losses. The General Staff must expect the Socialist Nation to understand the political-economic realities of war and are prepared to make the necessary sacrifices in wartime.

Consider the US military, and how the Rust Belt region resembles more like a museum to past achievements than being an actual workspace for instance. The Department of Defense may be spending far more than most militaries but most of its materiel is too expensive and difficult to replace in any large-scale conflict. Let that conflict drag on for longer than the opening weeks and most of their arsenals and munitions will be depleted before the year is over. All the complex, advanced weapons, vehicles, warships and aircraft fielded by most nations will be destroyed, abandoned, captured or lost at sea. Whatever remains on the battlefield will need lots of replacement parts, fuel, and munitions to continue fighting.

Naturally, the conventional wisdom for any national economy in the State of Total Mobilization is to produce everything on 'larger Scales, shorter Durations' with 'narrower Scopes and higher Densities' as possible. In essence, to produce lots of materiel with as few design differences and to ensure faster manufacturing and replacements with as much resources as physically possible. But can any nation genuinely expect to maintain that current rate of production to persist and not expect industries to be attacked by enemy forces or not have enough resources? How will the nation finance its war effort? Will rationing be introduced and how will the Attrition Rate be measured? How will the Work-Standard operate under wartime conditions?

These questions are to be addressed to the State by the economic planners of the Socialist nation. The Heads of State and Government, State Council and Central Bank must recognize that the need for Authentic Dasein is essential for the war effort. Depending on the overall rates of production in the lead up to any possible conflict in the unforeseeable future, the greater the preparedness of the Totality in its Readiness-to-Hand Arbeit and Geld for the war effort, the less rationing and fewer shortages there will be. Some sacrifices are going to be made and that will depend on the overall complexity in the arsenal of the armed forces.

The best-possible Quality of Arbeit is going to be coming from war production that requires a decent Duration in its manufacturing process and Density in the concentration of manpower and resources. The greatest Scale and broadest Scope can be achieved until the onset of high Attrition. The logistics involved in the movement of materiel requires delicate planning and there will always be potential for bottlenecks and inefficiencies, which can be mitigated if the economic planners can detect them sooner rather than later. That was the premise behind MTEP: maintain a hierarchical chain of command by integrating them into every step of the production process.

The designing of weapon systems is crucial in minimizing potential Attrition and logistical problems once the finished product leaves the assembly line. There are limits to this, however, because the overall quality of its design affects the Quality of Arbeit when it is being manufactured. Similar sources of high Quality of Arbeit will come from industries providing the best-possible quality and can do so in a reliable, competent manner. Those who have proven themselves worthy with the most sincere, genuine effort will be the ones contributing the most Arbeit and those who fail to follow their example will be denounced as such by the State Commissariats.

The financing of the war effort under the Work-Standard is affected by the sustaining of the war effort by the Totality. As long as the Totality is producing everything that its Armed Forces could possibly need, there will be more than enough Geld for the State to fund the war effort. That changes the moment military-industrial facilities are attacked by the enemy. Should the enemy have ground forces approaching those facilities, it is possible to expect Attrition to rise in a desperate bid to defend the facilities with weapons and vehicles rolling off the assembly lines for any friendly units fighting within the vicinity. Schuld may begin to accumulate the moment the war effort yields an imbalanced budget, which can be dealt with after the cessation of hostilities.

As in peacetime, the need to avoid Attrition still applies in wartime. The national economy cannot always be expected to sustain the war effort around the clock. At some point, the workforce is going to become weary as the conflict continues and striking a balance between what is expected of them and their chances to rest is a necessity in curtailing Attrition. Having *Zeit* in the work-week for breaks at different periods of each day is important. Only in instances of imminent contact with the enemy may this decision be suspended.

Wartime Preparations and the Work-Standard (Pt. 2 of 3)

Wars are expensive, and the Totality should be made aware of this. Council Democracy, unlike Parliamentary Democracy, grants the Totality the chance to provide a unanimous or at least a majority consensus on whether they will support the State in war. The State must listen to the Totality's concerns, being fully aware of the political consequences when declaring war against another nation. If there are ways of averting conflict, they should be pursued whenever possible and without any risk to the stability of the Work-Standard and the Socialist Nation relying on it. There will be no compromises on the Work-Standard nor will the State be coerced by foreign governments into phasing out the Work-Standard. It is senseless to compel the State, let alone the Totality controlling the State, into taking such actions.

Council Democracy and the Causes of War

Any *casus belli* can no longer be justified entirely by the State as it was the case prior to the 20th century. The Totality now has its decision to make on whether the Socialist nation should go to war or not. Once a decision has been made, the Totality must stick with that decision until the State negotiates an end to the conflict with the opposing force. Under no circumstances is there to be any dissent that could destabilize the war effort, from the burning of draft cards to labor strikes sparked by the sudden formations of labor unions. The State should be preparing for those conditions and more because it will always be the final authority on deciding to start a war.

The Totality of our Socialist nation may not always appreciate this, but they need to be self-aware of the possibilities that certain wars are unavoidable. Their State may inform them of an impending attack or an ongoing attack on the Socialist nation, and they must be prepared to help the State defend the Socialist nation. Alternatively, their State may convince them that their neighbors or another nation is preparing to invade the Socialist nation and they must launch a preemptive invasion before the enemy can make the first move. The intelligence reports, should it ever be the latter, have to be credible and not fabricated by the Council State. The Totality has a Constitutional Obligation to hold the Council State accountable if there is any incontrovertible evidence that someone within the Council State had fabricated such evidence.

Our Socialist nation must not become riled up over wars waged by the State to seize natural resources like crude oil and base metals. If the Council State has plenty of Geld to invest in the invasion of another country's oil fields, it should instead be investing the mass production of zero-carbon synthetic fuels. If the Council State has plenty of Geld to invest in similar invasions, it should also be investing in technologies designed to realize the alchemical process of transmuting one base metal into another base metal. Scientists have known since the past century that it is theoretically possible to transmute one base metal into another base metal, but additional research and development is not happening under Liberal Capitalist regimes. Whether the Socialist Nation is interested in determining the efficacy of such methods, by spending Geld on the construction of a particle accelerator, should be brought into consideration as an alternative to wars or even Real Trade Agreements (RTAs).

Let's be honest with ourselves: the Work-Standard is capable of coming across to people accustomed to Kapital and Schuld as a form of 'financial alchemy'. The processes by which Arbeit can be transmuted into Geld can be interpreted by anyone unconvinced of Socialism as a sort of magic which has yet to be understood. If an alternative Currency Standard like the Work-Standard is capable of being realized, what else can be realized with enough creativity and imagination?

In any case, we will also not be compelling the Socialist Nation to attack its adjacent neighbors in direct violation of international treaties. We are also not going to invade another country to launch an ideological “Crusade against Bolshevism” in violation of a hypothetical Molotov-Ribbentrop Pact to seize the crude oil fields of Baku in the Soviet Republic of Armenia. We may have old rivalries with some of our neighbors, but to fight all of them at once is idiotic. The Third Reich made this foolish mistake, despite signing three bilateral trade agreements with the Soviet Union *and* the Soviet Union being interested in joining the Axis Powers against the Allied Powers. Yes, *the Soviet Union could have sided with the Axis Powers* and the outcome of the Second World War could have occurred differently than what actually happened.

The foreign policy of the Socialist Nation shall not be informed by conspiracy theories. International politics requires cool-headed and calculated posturing wherever the risk of war is intense. We cannot always blame the historical past of the Socialist nation on everything that has happened in prior centuries. Any nation and its rulers can be as irrational as they can be rational when deciding to start a war. At the same time, we also have to take into consideration preexisting historical enmities between different nations.

There may be possibilities for another Totality under a Liberal Capitalist regime to be swept into a wartime over a perceived atrocity, whether real or imagined. The Totality in a Liberal Capitalist regime, if they have grown complacent and docile by their consumerist culture, can become complicit in justifying a war. One has to be astonished by how willing the American Totality has been at supporting a confrontation over Cuba for instance. Let us reinvestigate Cuba from a Hamiltonian Federalist perspective.

Was the *USS Maine* deliberately attacked by the Spanish, thereby causing the Spanish-American War? Is the American Totality even aware of the obscure historical fact that the Jeffersonians have been clamoring for any excuse to attack Cuba since the 19th century? Thomas Jefferson and his other protégé James Monroe had no qualms about America seizing Cuba, preferably by economic coercion before military force. Their Intent was to capture the international markets on the island. Some of their intellectual heirs had even sided with Southern slave owners in a secret plot called the “Ostend Manifesto,” motivating the Northern Abolitionists’ *casus belli* for the American Civil War. And the Implicit Intent of Fidel Castro, Che Guevara, and the Cuban Communists are supportive of this Hamiltonian Federalist argument against invading Cuba, given their agreement with the Soviets to establish ballistic missile facilities on the island, allowing the events of the “Cuban Missile Crisis” to be set into motion. It does not matter whether Cuba is a Scientific Socialist regime or not; the Jeffersonians will do anything to seize Cuba’s international markets at any cost. Those are just examples of how wars begin. Always remember that if there is any justification to start a war, there are also opportunities to avert them.

On the State’s Three-Year Conscription Policy

The Socialist Nation needs a conscription policy lasting three years. Note that the conscription can be fulfilled by anybody who is not a genuine conscientious objector. The Work-Standard provides the necessary means for the State to minimize the chances of draft dodging. There are plenty of ways for one to fulfill their draft requirements from the State. This begins as early as one’s teenage years in the secondary schools of their Socialist Student Economy (SSE).

The Socialist Nation has two forms of conscription: military conscription and work-conscription. All males and females in good health between the ages of 17 and 34 are eligible for military conscription. For work-conscription, males and females in good health between the ages

of 17 and the retirement age set forth by the State. Anyone older than the set retirement age may be entitled to a retirement pension as the dependent of their family's household.

For military conscription, note that “Actual Arbeit” and “Actual Geld” are only applicable to the Life-Energization Reciprocity (LER) process. Military conscription has sources of “Military Arbeit” and “Military Geld” that need to be converted into Actual Arbeit and “Actual Geld by the Central Bank. Much like the “Digital Arbeit” and “Digital Geld” in the “Life-Energization Reciprocal Electrification (LERE) Process” which we will be discussing in Section Seven, there are accommodations under the Work-Standard for the Socialist nation to facilitate different forms of Arbeit and Geld, depending on the Totality's level of technical expertise and technological sophistication in both peacetime and wartime conditions.



Digital Arbeit Symbol

For the Council State, the Ministry of War will be maintaining the Paygrades and the healthcare of military personnel. Instead of the Central Bank, the General Staff has two modes for handling the LER and LERE processes from within the realm of military logistics. In peacetime conditions, the Ministry of Energy & Armaments Production will be conducting both processes. In wartime conditions, especially when the military is deployed overseas, the logistical formations will be responsible. In practice, we can expect the Military Arbeit and Military Geld to be separated from the Arbeit and Geld created by the rest of the Socialist nation. Only when there is secure communications with the Central Bank will the armed forces be converting their Military Arbeit and Military Geld into actual ones. It works the same way with Digital Arbeit and Digital Geld.

When the draft card arrives in the mail, one must choose between “Military Conscription” or “Work-Conscription.” Choose either and the other requirement will suffice because most work-conscripts eventually receive the military training of voluntary reservists. Anyone who opts for Work-Conscription may be ineligible for Military Arbeit and Military Geld. There is an Implicit Intent behind why the Totality has zero tolerance for unemployment *and* underemployment. Anyone who has not yet been able to find their Vocation in Life are always eligible for the draft within the given age ranges.

Looking back at your teenage years, begin by asking yourself the following questions:

- Are you a Conscientious Objector who genuinely holds the religious and ethical beliefs of an Anabaptist Amishman or else just somebody who cannot bear the rigors and burdens of contributing “Military Arbeit?” *If so, you are ineligible for military conscription, but you may voluntarily be entitled to work-conscription devoid of any military training.*
- Are you deferring conscription by enrolling in a university? *If so, you are still eligible for both military conscription and work-conscription.* Your SSE's student government is allowed by the State to establish the “student combat groups,” the “student intelligence corps,” the “student prefect patrols,” and “student paramilitary sporting groups.” If the

Ministry of War finds it necessary under the direst circumstances, be aware that those formations may be inducted into the armed forces of the Socialist nation. But that will only happen if the enemy has breached the border and there are literally enemy paratroopers landing on your school or university campus like in the original *Red Dawn* movie.

- Are you a part of the LGBT (Lesbian, Gay, Bisexual and Transgender) people's community? *If so, you are eligible for either military conscription or work-conscription.* Just like the university students, the SSE can also be your chance to fulfill the three-year draft.
- Are you physically, mentally, psychologically or spiritually incapable of withstanding Military Arbeit? *If so, you are ineligible for military conscription, but may be eligible for work-conscription if you are capable of passing a physical health exam on behalf of your doctor or a psychological evaluation from a psychiatric or psychological practice.*
- Are you interacting with a Vocation that the State deems as essential? *If so, you are ineligible for both military conscription and work-conscription.* The State is always looking for young people to develop and manufacture military hardware, invest their Geld and Arbeit into NSFI's offered by Office VI ("Priority Requisition") at their local Kontore, and volunteering to help scientists, engineers, medical professions, economic planners, bankers and childcare providers, state commissars, emergency services and other important professions. The State will also need people who are willing to voluntarily pursue Vocations in the Armaments Industry.

By accepting military conscription, the Ministry of War will be in charge of issuing your Paygrades for as long as you are in the armed forces, regardless of the military branch. Your opportunity of contributing Military Arbeit and generating Military Geld begins on the first day of basic training. But should you arrive at the conclusion that the military is your Vocation in Life, the State has a Constitutional Obligation to let you turn your military conscription into an actual Vocation in itself. We will be exploring the concepts of Military Arbeit and Military Geld in Part III of "Wartime Preparations and the Work-Standard." At some point, we will be investigating ways for the Socialist nation to combat the psychological trauma caused by Post-Traumatic Stress Disorder (PTSD) in a relevant SMP Compendium Entry, "Technology and the War Effort."

But should you choose to accept work-conscription, do not be discouraged by anyone or anything that may prevent you from having to take that option. The State is always looking for young people on special assignments that do not involve the military. As mentioned earlier in Part III of "Taxation and the Work-Standard," somebody has to take care of the land, buildings and tenants that the State is planning to sell on a later date. There are plenty of ways for the State to provide opportunities to allow someone to plant their foot in the door and avoid being drafted.

Weaponizing the Attrition/Inaction Rate

The worst enemy to the Socialist Nation is not the opposing nation, but the Attrition/Inaction Rate affecting their Currency pegged to the Work-Standard. It is imperative that the Totality be aware that the Attrition/Inaction Rate will cause economic and financial damage to the Socialist nation. The Attrition/Inaction Rate does not just affect everyday life in peacetime. It will also affect the military capabilities of the Socialist nation to fend off enemy attacks at home or unleash counteroffensive operations abroad. Even in the worst-case scenario, the Socialist nation is better off relying on the Attrition/Inaction Rate because one cannot effectively apply Attrition Warfare tactics in the realm of Financial Warfare with an Inflation/Deflation Rate.

The State and the Totality, whenever it is possible to transmit well-encrypted communications, must pay attention to the Attrition/Inaction Rate at all times. The Attrition/Inaction Rate informs everyone about how much everyone is working to sustain the war effort. It can provide a good indicator on the extent of the enemy's destruction of the VCS Economy, regardless of the weapon and military doctrine. It can also provide information about whether the Socialist nation sustained a massive loss of military personnel and materiel in a major campaign or decisive battle. Expect the Attrition Rate to rise in response to those losses.

Conversely, if the Socialist Nation has been conducting a successful military campaign or a decisive battle, we can expect its Attrition Rate to be lower. The military will not be needing a lot of replacements in both manpower and equipment. This can provide the Totality with enough breathing room to rest, minimizing the risk of Currency Depreciation. The State should take advantage of this possibility under the right circumstances. The VCS Economy will need to in order for the Totality to decide over whether a revalued Currency or a devalued Currency will allow the Socialist nation to emerge from the war victorious.

We must be aware that even though we rely on the Attrition/Inaction Rate as our metric, we cannot assume that the enemy also relies on it as well. It is possible for the enemy to be a Liberal Capitalist regime relying on an Inflation/Deflation Rate. In that case, an Inflation/Deflation Rate is a double-edge sword. On the one hand, we cannot accurately measure the extent of the opposing Totality's support for their nation's war effort. But on the other hand, this can be beneficial for us because even if we cannot know for certain what their Attrition Rate is, the enemy will also be uncertain.

This was definitely the case during the Vietnam War, the last major conflict where the US military had the permission to draft Americans. Most Americans in the 1960s, regardless of whether they supported or opposed the war in Vietnam, were probably unaware of the economic and financial toll that the conflict was inflicting on their Market Economy. That Jeffersonian Lyndon Barnes Johnson was trying to finance the Great Society programs, a massive Welfare Capitalist scheme, and maintain the Gold Standard vis-à-vis the Bretton Woods System at the same time. There was simply not enough Gold in existence for the US to sustain both the war and the Great Society because LBJ raised taxes just to finance the war effort. And even then, a growing segment of the American population lost support for the conflict after the Tet Offensive in 1968.

More importantly, most Americans are also unaware if the economic instabilities of Market Economy did play a role in the outcomes of the Iraq and Afghanistan Wars. It remains to be seen whether the historians, economists, political and military scientists are going to argue about whether the effects of the Great Recession affected the US military's deployments in Iraq. Even the Coronavirus Pandemic itself has played a role in the more recent withdrawal in Afghanistan. Both conflicts were waged by Jeffersonians relying on the Schuld Standard as opposed to the Gold Standard like in the Vietnam War. The US National Debt and the Federal budgetary deficits since 9/11 are a living testament to this economic reality. Possibilities on the Work-Standard being capable of having a special Attrition/Inaction custom-built for Liberal Capitalist regimes are elusive. That is an important consideration because the methodologies of the Inflation/Deflation Rate must be distinguished from the ones preferred by the Attrition/Inaction Rate.

Wartime Preparations and the Work-Standard (Pt. 3 of 3)

Why Religious Vocations are Exempted from Military and Work-Conscription

There is one segment of the population who will always be exempted from military conscription and work-conscription. A special exemption will always exist for anyone who decides to pursue the priesthood as a seminarian or religious life as the postulant of a religious order. This exemption is called the “Religious Discernment Deferment.” It remains in effect for as long as they are committed to their religious Vocations and becomes permanent after their ordination. There is an Implicit Intent behind why the Religious Discernment Deferment exists.

The Religious Discernment Deferment is an honorable exemption for those seeking the priesthood or religious life under the Intents of Command and Obedience. Just as the military adheres to Command and Obedience, the same is also true for the Catholic priesthood and religious orders. We cannot speak of Command and Obedience without eventually acknowledging its antecedent in the Catholic Church. For unlike the laity, those who willingly pursue those Vocations are engaged in the spiritual realm as opposed to the physical realm because are inwardly informed by a higher sense of Duty. They deserve this exemption due to their importance in the spiritual life of the Socialist nation, serving as examples of why we reject Scientific Atheism as a perversion of Hegelian political philosophy and why we oppose the emergence of Cults of Personality.

A strong religious devotion to the Catholic faith is essential for the Socialist nation. We refuse Scientific Atheism for its rejection of the need for religious belief as essential to rejecting the Materialistic tendencies of Liberal Capitalism. This is the same Materialistic tendencies that rendered Marxist Theory so vulnerable to Liberal Capitalist subversion, given its concepts like “Historical Materialism” and “Dialectical Materialism” for instance. Liberal Capitalism, as an old holdover from the Enlightenment, rejects the Catholic Dasein on grounds of faith and morals because of its insistence in adhering to a purely Materialistic Weltanschauung. When Liberal Capitalism claims ‘there is no God’, it is claiming that people have no souls that are spiritually bound by a national-cultural Collective Consciousness and a Collective Unconsciousness, rejecting the spiritual in favor of the “biological concept of race.”

“Race,” as everyday Americans generally interpret this specific term, is a social construct insofar as it is informed by the same psychological and psychic conditions conducive to Kapital and Schuld. It is part of the same Weltanschauung which claims that one’s race is only defined by the color of one’s skin or that the Market/Mixed Economy gives the Western world a perceived sense of racial superiority over those who rejected Liberal Capitalism. There are no “White Americans,” no “Black Americans,” no “Brown Americans,” no “Red Americans,” and no “Yellow Americans.” There are, however, European Americans, African Americans, Latin Americans, Native Americans, and Asian Americans. A ‘Prussian-American’ and an ‘English-American’ are not “White people”; they are American Prussians and American Englishmen first and foremost. Such notions of “changing demographics” in America is Jeffersonian demagoguery, threatening to undermine the national Solidarity of the American Totality insofar as it originated in the fears of old American slave plantation owners terrorized by the possibility of slave revolts.

There are only two ways for the American Totality to be united: Hamiltonian Federalist Socialism and Roman Catholicism. Most Americans, including those who are not Catholic, would prefer the former over the latter. This in turn leads to the other justification behind the Religious Discernment Deferment, the need to combat the rise of Cults of Personality within political life. In politically divided nation-states, the Cult of Personality emerges to forge a consensus around

demagogues and populists. It is to be rejected as a sign of weakness because it stifles critical and creative thinking, creating the false belief that the subject of the Cult of Personality can do nothing wrong. Religious belief can minimize the effects of a Cult of Personality because it consistently preys on those looking for beliefs that can only exist in the spiritual realm.

Why the VCS Economy Rations, Repurposes, and Recycles Everything

The VCS Economy rejects the dialectics of Consumerism and Producerism. The state of Total Mobilization has a tendency of depleting natural resources and causing environmental degradation. This fact becomes even more apparent in wartime. Every effort has to be made at conserving resources and preserving the environment for future generations. The more resources we are capable of preserving and the more we are capable of conserving, the greater our chances of sustaining the war effort. It is possible for us to minimize the effects of wartime rationing and shortages if we plan ahead under peacetime conditions.

Our scientists and engineers have a Legal Duty to help the Socialist nation realize the Technology necessary for enhancing the capabilities of the Work-Standard. They must be willing to assist the Socialist nation to research, design and implement the ways in which we can pursue sustainable alternatives. If there is any way for the VCS Economy to consume fewer resources without sustaining any losses to the RTEP and RTEP, they need to be evaluated by the State and introduced by the Totality. Remember, the State and the Totality must ensure that they will be able to live within their own means of production. This extends to the resources that the VCS Economy needs to manufacture all of the everyday goods and services for the Socialist Nation.

It is true that the VCS Economy can create a lot of Arbeit and Geld by harvesting natural resources. The VCS Economy can achieve even more Arbeit and Geld if the State implements ways in which the Totality can recycle and repurpose anything. There are a number of strategic resources that will need to be rationed, certain Equipmentalities to be repurposed, and waste products to be recycled into materials intended for production. Our Socialist nation should consider investigating ways of manufacturing zero-carbon synthetic fuels, durable synthetic rubber, synthetic fabrics, biodegradable plastics, and synthetic metals. The State should finance the research and development of those technologies, in addition to similar endeavors within pharmaceuticals, building materials, nuclear transmutation of base metals into other base metals, closing the nuclear fuel cycle, and ways of cultivating agriculture in inhospitable environments.

We must also recognize that modern warfare, in addition to requiring vast amounts of resources, tends to leave traces of environmental damage on battlefield. The vast fields of burning vehicles, pillaged countryside, poisoned rivers and lakes, and city ruins need to be quickly dealt with. The military can be address them while deployed in the field, but they need the Technology to heal the environment. This will become important in the immediate cessation of hostilities.

On Military Arbeit and Military Geld



Military Arbeit Symbol

In addition to the religious, medical and educational professions, the military professions are also a high-tier contributor of Arbeit and Geld. Our armed forces primarily contribute Military Arbeit whenever they are undergoing training, exercises, conducting combat patrols and battling the enemy. They also generate “Military Geld” upon converting them from “Military Arbeit,” manufacturing armaments, or interacting with the VCS Economy and Reciprocal-Reserve Banking System vis-à-vis Office VI (“Priority Requisition”) of the Kontore. Of course, this is assuming the Socialist nation is living under peacetime conditions only.



Work-World Compatibility Designation Marker for Military Arbeit

Wartime conditions are a different matter altogether. Expect the rates of Military Arbeit to rapidly rise and fall in the heat of battle. We lose a lot of Military Arbeit as we continue to lose battles and eventually entire campaigns. We also lose a lot of Military Geld as military-industrial facilities are bombed, sabotaged or captured by the enemy. Both apply even more so if entire military formations are wiped out and the enemy captures remaining personnel to be detained for the duration of the conflict. Additionally, the rates at which we can gain Military Arbeit coincides with our ability to sustain the size and composition of our armed forces. The larger the armed forces, the more Military Arbeit we can expect to gain. The fewer casualties our troops have received on the battlefield, the more Military Arbeit we will have left over when the war ends.

This in turn brings us to the concept of Military Geld in wartime. On the homefront, the Central Bank can readily convert Military Arbeit into Actual Arbeit whenever the armed forces

are defending the Socialist nation on its own soil. The Central Bank can also convert any Military Geld from the production of armaments and munitions, vehicles, warships and aircraft into Actual Geld and stored along with the rest of the Life-Energy Reserve. Where the Central Bank cannot convert Military Arbeit into Military Geld or Military Geld into Actual Geld because those tasks belong to the Ministry of War. At the same time, the Central Bank cannot convert Military Arbeit into Actual Arbeit if the armed forces are deployed overseas. The Central Bank can convert Military Arbeit into Actual Arbeit if the personnel are still in the Socialist nation, but not for those who have been deployed overseas by the General Staff at the Ministry of War.

There will be moments when the Central Bank will not be in direct communications with the armed forces deployed overseas. The Central Bank may not always know the exact extent of Military Arbeit and Military Geld because of wartime censorship by the Ministry of Information. If the Central Bank does not have any communications with the armed forces, Military Arbeit and Military Geld cannot be converted into Actual Arbeit and Actual Geld to be stored in the Life-Energy Reserve. It is up to the General Staff to decide when to give the Central Bank the information related to the Quality of Military Arbeit and the Quality of Military Geld.

And instead of being issued Actual Geld as Paygrades, the armed forces receive Military Geld as payment. The General Staff has logistical support units tasked with overseeing the process of converting Military Arbeit into Military Geld on the battlefield. These logistical support units are responsible for ensuring that all personnel will receive their Military Geld as Paygrades. The payments may take on the form of an envelope full of Military Geld or else Military Geld wired electronically to the soldier, sailor, airman or marine's personal savings account. The recipient of this Military Geld may receive a special payment card where they can insert into a specially-built automated teller machine to deposit or withdraw any Military Geld from their savings account. This will only be available if there is already electrical power and encrypted communications.

All personnel will be able to convert their Military Geld into Actual Geld at Office IV of the Kontore once they have returned home from combat operations. This can be facilitated by an online digital bank on our national Intranet, by automated teller machines, by a National-Socialized Bank (NSB) or State Bank authorized by our Council State to operate overseas branches, or by Office IV ("Currency Conversion") of the Kontore. Choosing any one of those options is more than enough to suffice. The Implicit Intent of this is to deter circulation of any Actual Geld into war-torn nations, our military inadvertently fueling the creation of black markets by civilians without a reliable Currency. Loved ones with a friend or a family member in the armed forces shall refrain from sending Actual Geld to them overseas. Our military will be tasked with introducing the Work-Standard to the foreigners once the combat has ceased. They will need all the help that they can get to combat black markets, corruption and desertions among the defeated government's armed forces, insurgencies, transnational organized crime and terrorist groups.

Occupational Governments and Postwar Reconstruction

Military Arbeit and Military Geld are not just another source of Arbeit and Geld for the Central Bank's Life-Energy Reserve. Both are also capable of being created outside of combat, in the event that the Socialist nation is occupying another nation and is actively assisting in its postwar reconstruction. Even if the Socialist Nation relies on Production for *Dasein*, the Work-Standard, a simplified Taxation System and a Command Economy, there are important lessons to be learned from the US invasion of Iraq in 2003.

When the Iraqi Ba'athist regime fell, Iraq was a Planned Economy badly crippled by the Iran-Iraq and Persian Gulf Wars as well as the LIEO's economic sanctions. The US-backed

reconstruction of Iraq was done haphazardly, hampered by a military bureaucracy more interested in finding multinational corporations who had no qualms about profiting from the reconstruction efforts. The Coalition Provisional Authority (CPA) operated according to the Economic Calculation Problem as opposed to the Political Organization Problem, even as the CPA transitioned Iraq's Planned Economy to a Market Economy. Due to the political instability associated with the insurgencies during the conflict, the Iraqi Economy eventually settled for a Mixed Economy. The Iraqis opted for a Mixed Economy as a compromise.

Iraq's healthcare, water, electrical, sanitation, and waste treatment systems barely recovered in the years after 2003. It was only until the late 2000s did some of those systems began recovering to their pre-2003 levels. The US military in Iraq was restricted in its ability to intervene and assist the post-Ba'athist government, as evidenced by the lack of enough troops and the lack of orders from superiors to deal with the looting in 2003. It also did not help that the Iraqi Mixed Economy grew dependent on foreign investors and petroleum production, which at one point suffered from the effects of the Economic Calculation Problem. Not only were the oil workers unaware of the Price of their petroleum, they also did not know where the petroleum Revenues were going. Were they supposed to be going to the Iraqi government or to the foreign investors invited by the US in 2005?:

"Two-and-a-half years after the US invasion of Iraq, the country's oil industry is still in disarray. An official of the Oil Ministry in Baghdad told ISN Security Watch, on condition of anonymity: 'We do not know the exact quantity of oil we are exporting, we do not exactly know the prices we are selling it for, and we do not know where the oil revenue is going to.'

According to Baghdad press reports, export revenues are still not sufficient to cover the Iraqi state budget. The government is forced to take loans from international banks to cover its running expenses.

Although the US invested around US\$1.3 billion in the rehabilitation of oil plants damaged by lack of maintenance during 13 years of UN sanctions, the daily output of approximately 1.3 million barrels remains far below Iraq's pre-war production level of 2.5 million barrels.

The production goal for December 2004 of 3 million barrels per day, set by the US and the Iraqi government, cannot be reached in the near future, according to experts within the Iraqi Oil Ministry who talked to ISN Security Watch.

The Iraqi government looks set to lose US\$8 billion a year in potential oil revenue, due to the poor current state of the oil industry."

-Heiko Flottau, Iraqi Oil Industry in Crisis, ca. 12 July 2005

The US occupation and reconstruction has shown that, in the state of Total Mobilization, it is not Individuals that need to be guarded. Rather, it is key infrastructure, government buildings, financial institutions, museums, cultural and archaeological sites, and any place in the other country that can be looted. Our General Staff at the Ministry of War must learn from the mistakes of that military occupation. We may not be invading any country anytime soon, but the Socialist Nation should at least be given assurances that lessons were learned from those experiences.

To deter looting by civilians driven to desperation by the collapse of their government, our General Staff ensure that there will be more than enough troops to garrison those critical sites. There needs to be Direct Orders on the ground for the troops to defend those sites not only from counterattacks, but also from people trying to walk away with anything of value, electronics, national treasures, and government documents. Our military should, whenever possible, crack down on such dissent and combat any insurgencies before they have any chances of emerging later in the year. They need to be able to enforce martial law while our Council State works tirelessly to set up a new government to be recognized by the rest of the world under international law.

The military contributes its Military Arbeit to its “Militarized Life-Energy Reserve” by conducting everyday operations and participating directly in the reconstruction efforts. It generates Military Geld by being deployed overseas under the direct command of the General Staff at the Ministry of War. The new government in the occupied country will soon be producing its own Arbeit and Geld, but it cannot begin to do so without assistance from our own Council State. As soon as the Central Bank reestablishes encrypted communications with the occupation forces, the Central Bank will receive the Military Arbeit and Military Geld, registering them as “Actual Arbeit” and “Actual Geld” from then on. This allows the Ministry of War to allocate Geld for the troops’ Paygrades and Geld for the postwar reconstruction. Both can be done simultaneously.

Note that unlike the Military Arbeit that can be easily converted into Actual Arbeit in peacetime, the same cannot always be true for Military Arbeit in contexts where a Mechanization Rate is impractical. And unlike the Military Geld that be converted into Actual Geld, the effects of the Economic Socialization and the Solidarity Rate are also limited in these conditions. Additionally, depending on how proactive our military chooses to be proactive, we can expect their Force Multipliers to run as high as ‘5.00’ in terms of Quality of Arbeit. Theor Mechanization Rate, Economic Socialization, and the Solidarity Rate can only be reimplemented whenever the occupation force reestablishes communications with the Central Bank while participating directly in the postwar reconstruction efforts. Knowing this, what are the important necessities that the military will need to provide until the new government can finally take over? What are things that the military must not do under international law?

The new government will be asked by our Council State to implement the Work-Standard in order to facilitate the Command-Obedience Account Bookkeeping. This is a special offer that must be given enough forethought and deliberation on their part. Any Schuld that the new government inherited from the previous one can be paid off with the Work-Standard. Thus, whatever Geld that the Council State sends to the new government will be counted as “Foreign Aid” in their financial ledgers. For the Council State, our economic planners will be allocating this Geld under the printed “Development Aid” space of their own financial ledgers.

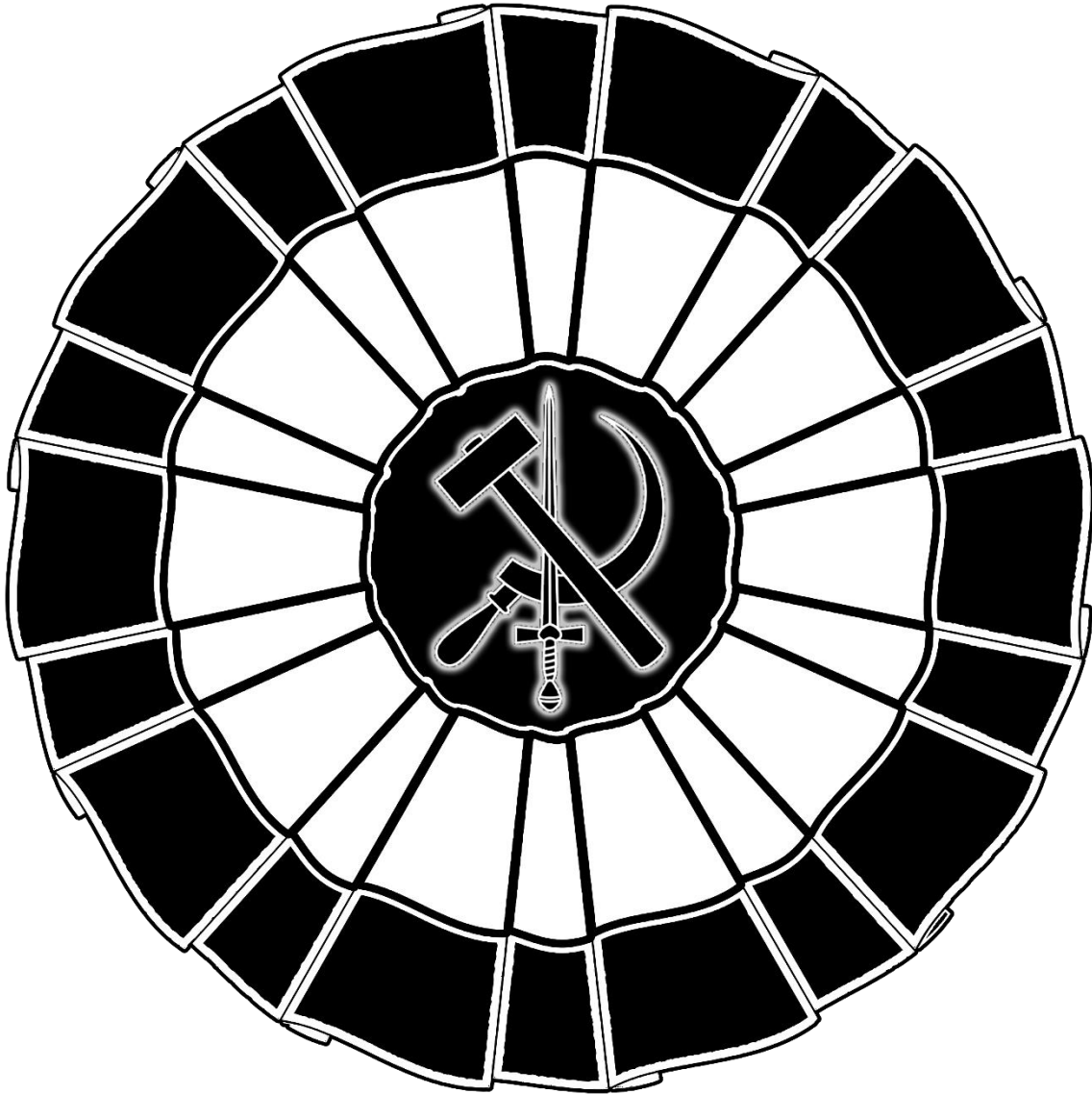
We begin our postwar reconstruction efforts with the military working to restore energy production for electricity, running water and sanitation, and helping the healthcare and educational professions restore the hospitals and schools. If the cities need to be rebuilt, the military will need to assist the civilians. The military should ensure that the public transportation and postal code systems are restored along with the usual modes of communications, defending them against potential sabotage by insurgents. The urban streets need to be safe enough for trash collection and hospital ambulances. If there are any fires, the military needs to be proactive and help the civilians put out the fires until the new government is confident enough to take over.

The troops will be asked to need to continue with their garrisoning and policing duties until the new government feels confident enough to take over. We will know when their government consolidates power and is strong enough to sustain itself with the Work-Standard. At that point,

our troops can finally leave the country and return home. Depending on how many troops we send to that foreign land and how proactive our generals were in helping the new government and its civilians return to peacetime, it is possible to complete the reconstruction effort in a year or two.

Unlike the Political Organization Problem, the Economic Calculation Problem has virtually nothing on this matter. Ludwig von Mises and Friedrich von Hayek were not expecting a Socialist nation to be able to field an armed forces that is powerful and large enough to literally invade another nation, impose martial law, and assist in the postwar reconstruction. In fact, they were expecting the Socialist nation to be unable to engage in international politics to begin with because they assumed the Socialist nation would be too fixated on its domestic affairs. If there was anything that those men considered relevant to the Economic Calculation Problem, it was how much Kapital ought to be worth in privatizing a Planned/Command Economy and how much Kapital ought to be worth in allowing foreign investors to profit from the postwar reconstruction, which was essentially what happened in the wake of the invasion of Iraq in 2003. Given the CPA Orders related to Iraqi economic life, it is clear that the US occupation was preoccupied with the Economic Calculation Problem than the Political Organization Problem.

Section Six: International Trading Policies



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On International Trade and Investment

Unlike regular national economics, the field of international economics covers a broader political dimension that spans the entire planet. It is normal for countries to trade with others to acquire whatever they need for their own economies. In international economics, the three most common variants of trade so far are Free Trade, Protectionism, and Autarky. The Work-Standard is designed to circumvent the metaphysics of all three by adopting its own conception of international trade where Arbeit and Geld define the everyday affairs of the Socialist Nation.

A Free Trade Agreement (FTA) refers to a trade policy that has no conceivable restrictions on the movement of goods, services, migrants, and Kapital across international borders. These restrictions are identified as 'Barriers to Trade' because nation-states impose them to deter any excessive trading across its borders. Its basic premise claims that no State should impose those Barriers to Trade out of supposed consideration for the 'consumers' and the 'producers', as if the people of a nation-state can never become anything more than just those two simple categories.

FTAs proliferated after 1945, the Historical End of World War II, when the Jeffersonians convinced the Allied Powers that by removing Barriers to Trade, there will be no future conflicts. The widespread prevalence of FTAs among nations outside the Western world since the late 20th century is a consequence of the Bretton Woods System establishing the International Monetary Fund (IMF), the World Bank and the General Agreement on Tariffs and Trade (GATT), the precursor to the World Trade Organization (WTO). Claims of Free Trade deterring actual wars is a recurring meme that originated from the Enlightenment. It states that two nation-states, under the Incentives of Supply and Demand, could be dissuaded from engaging in open hostilities if their economies are interdependent with each other. Any 'open hostilities' according to this claim have consistently factored military power alone within the context of the Balance of Power; it never bothers to consider the economic and financial ones as in the Balances of Trades and Payments.

After the Death of Bretton Woods, it has become commonplace for entire nation-states to have their economies dependent on Exports or Imports. The temptation of Export-driven or Import-driven economies shares the same negative flaws, with the real difference being a matter of perspective. Export-dependent countries cannot afford to reduce their Exports without a noticeable reduction in the Standard of Living. Import-dependent countries also cannot afford to reduce their Imports without an equally noticeable reduction in the Standard of Living. Worse, this shared predicament is known to spread the destructibility of various economic or financial difficulties beyond the borders of its country of origin. Known examples include the Energy Crises of 1973 and 1979, Black Monday of 1987, Black Wednesday of 1992, Asian Financial Crises of 1997, the Dot-Com Bubble, 9/11, Great Recession and more recently the Coronavirus Pandemic.

Past decades of crises have witnessed the slow, gradual reintroduction of Economic Nationalism and its Protectionist trading policies as a consequence of Globalization. These developments have occurred without any country adopting Autarky or even the formation of trading blocs similar to the Western and Eastern Blocs of the Cold War. Knowing the methodology behind Protectionism is not just crucial for understanding this ongoing phenomenon, it is also pivotal in realizing how it affects the performance of a Currency pegged to the Work-Standard.

The most common methods of Protectionist trading policies have been Tariffs and Import Quotas. Tariffs are special excise taxes imposed on imported goods and services. The higher cost is supposed to compel the 'consumers' to support their local 'producers' as an Incentive. Import Quotas are limitations on the quantity of imported goods and services. The lower availability is the Supply and Demand aspect by imploring the 'consumers' to support their local 'producers'.

Other methods involve allotting Subsidies as Incentives to encourage more exports and Direct Subsidies as another set of Incentives to encourage even more exports.

Less frequent methods of Protectionism are not necessarily reliant on the Incentives of Supply and Demand insofar as they can also be reliant on the Intents of Command and Obedience. The latter can be seen as examples of what Hamiltonianism is capable of. One example is the recent emergence of “Administrative Barriers,” where the State imposes a number of safety, quality and environmental controls to deter Free Trade. Anti-Dumping Laws can forbid foreign commercial firms from ‘dumping’ large quantities of cheap, inferior goods and services at low Prices that undermine their true Value. Technical Patents are another example by defending national industries against industrial espionage from potential rivals, and adjustments to Exchange Rates by the Financial Regime and greater prioritization on national industries by Central Planners are other ways of carrying out an Autarkic trading policy.

Another, albeit less common trade policy, is Autarky. An Autarkic policy involves the Socialist Nation conducting as little international trade with other nations as possible. *Such a policy does not have to be done whilst being diplomatically isolated*; it can be pursued with other friendly nations as part of a trading bloc or an economic and currency union. Should Autarky be realized by political-economic alliances, it becomes feasible for the Socialist Nation to import everything it needs at preferential Exchange Rates which can be negotiated as part of its upcoming or active Real Trade Agreements. Moreover, if the Socialist Nation does decide to enter trading blocs or economic and currency unions, make double sure that there are arrangements set in place to ensure the Work-Standard will operate unaffected.

Compared to those three policies, the Work-Standard advocates for the “Real Trade Agreement” (RTA) as a suitable alternative to the Free Trade Agreement. An RTA takes its formal taxonomy from the *Realpolitik* approach to diplomacy and the economic measurement of Currency Depreciation/Appreciation according to the Attrition/Inaction Rate and overall Mechanization Rate. The goal here is to provide the State and Totality with the Intent of discerning their own Value of Arbeit based on how much they can afford at a given Price of Geld. Depreciation leads to cheaper Exports but more expensive Imports, whereas Appreciation leads to more expensive Exports but cheaper Imports.

The Work-Standard stresses the need for the Socialist Nation to maintain its Balances of Trades and Payments, favoring a trading policy somewhere between Protectionism and the Autarkic practice of engaging in trading blocs and economic or currency unions. The State should make the necessary adjustments to the nation’s trading policies as it would with economic and monetary policies. Once its Currency is pegged to the Work-Standard, the State is able to look after the VCS Economy and ensure that it will receive whatever it needs to serve the Totality.

Regardless of whether all Currencies are pegged to the Work-Standard, the Socialist Nation must be able to maintain ample reserves of Foreign Currencies. The Council State needs to maintain a balanced budget in all of its trade expenses, otherwise it is going to accumulate Schuld owed to foreigners by failing to exercise fiscal discipline within international trade. If the Schuld is owed to Liberal Capitalists, be prepared to pay them in Kapital denominated in their Currency.

RTAs may either be *bilateral* in their transactions between two States or else *multilateral* as part of an alliance. Once an RTA is signed and recognized by the involved States, the Socialist Nation will be able to set up special retailers called “Specialty Shops,” which are designed to sell goods to foreigners in exchange for their Currencies. The Socialist Nation may even be compelled to establish those same retailers in the foreigners’ home countries as well.

CMEA's Fixed Exchange Rates and its Hard Currency Shops

There is no doubt whatsoever that the demise of the Eastern Bloc countries and the Soviet Union by extension came as a direct result of the Death of Bretton Woods. While the Western Bloc and the United States opted for Floating Exchange Rates and Fiat Currencies as one of their survival moves, the Eastern Bloc and Soviets did little except allow their Currencies to appreciate from the 1970s onward. Additionally, the Energy Crises of 1973 and 1979 caused far more harm to their economies than benefited them, since they too were also relying on Petroleum and US Dollars. The result led to “Current Account Deficits” in which they were accruing Trade Deficits by Importing far more than they were capable of Exporting as part of the Council for Mutual Economic Assistance (CMEA). Still caught in the stranglehold of the Liberal Capitalists' Fractional-Reserve Banking System, the Eastern Bloc countries lacked adequate access to Credit from the Western Bloc to offset their Trading Deficits due to the CMEA being a Debtor rather than a Creditor. In essence, the CMEA borrowed more Kapital from the Western Bloc than actually lending to the Western Bloc as a consequence of its member-states' excessive Imports.

The Trading Deficits alone could have been mitigated by creating goods and services of comparable quality and quantity to offset the need for Imports. But due to the flaws of STEP (Soviet-Type Economic Planning), that was not possible since their economies were never able to compete against the Western Bloc. It also did not help that there was a proliferation of black markets in imported Western Bloc goods, some people demanding to be paid in Foreign Currencies after learning that others got paid that way by working in Western countries and the ownership of these Foreign Currencies were prohibited. These factors are all economic symptoms that can be traced back to the Death of Bretton Woods.

Meanwhile, all Western Bloc Fiat Currencies were allowed to achieve Floating Exchange Rates according to the Incentives of Supply and Demand. It in turn created a precedent whereby no country could maintain a Fixed Exchange Rate without maintaining ample reserves of Kapital in US Dollars. Without those sufficient reserves, a Fixed Exchange Rate can no longer be sustainable and must be allowed to gradually shift toward a Floating Exchange Rate.

But the CMEA did not recognize this possibility, nor did they embark on anything closely resembling the Work-Standard. Instead, the solution proposed by the Eastern Bloc and Soviets was a gradual implementation of market reforms that revolved around acquiring the greatest Quantity of Kapital with the least Quantity of Schuld. One of the most well-known endeavors that were launched under the CMEA was the introduction of “Hard Currency Shops,” Specialty Shops operating on Production for *Utility* as their Mode of Production.

These Hard Currency Shops, regardless of their name or national origin, catered to Western tourists by selling Western consumer goods and offering tourist-oriented services like hotels, bars, kiosks, and rest stops. Western Bloc newspapers and literature, cigarettes, alcohol, and other goods normally unavailable to the locals were among the most commonly sold products. It was also common to encounter domestically-produced goods that were intended for Export but were not meant for the local population. Again, this too was related to the same Perverse Incentives that came after the Death of Bretton Woods because it led to circumstances where the locals would visit them just to buy whatever the regular stores did not have readily available.

The problem here cannot be reduced to something as simplistic as the propagated meme of “creating a bifurcated consumer economy” of so-called ‘haves’ and ‘have-nots’. The real problem

here was an attempt at trying to resolve a financial problem with an economic solution, rather than *resolving the financial problem with an appropriate financial solution*. If anything, the Hard Currency Shops only worsened conditions and resulted in a wasted opportunity that should be taken into consideration for the Work-Standard. The best place to begin is by justifying why the Work-Standard relies on Fixed Exchange Rates as part of the Real Trade Agreement (RTA).

To begin, when a Liberal Capitalist regime enters a Trading Deficit with a Floating Exchange Rate, the Price of the foreign currency will rise higher than the Price of the domestic currency. The Incentive here is to dissuade the people from overspending on Imports and focus more on trying to regain the Balances of Trades and Payments. This is known as “Automatic Rebalancing” because, unlike Fixed Exchange Rates, Financial Markets under the Incentives of Supply and Demand can readjust those Prices themselves at the Forex Markets.

In the case of the CMEA, Automatic Rebalancing did not happen under Fixed Exchange Rates for anyone relying on Soviet-Type Economic Planning. Without the Kontore, the Financial Regime is supposed to manually readjust the Exchange Rate on its own whilst maintaining reserves of Foreign Currencies. Failure to do so causes a Currency Crisis, forcing the Central Bank to eventually adopt Floating Exchange Rates.

As part of its Production for *Dasein*, the Hard Currency Shop was salvaged by the Socialist Nation to become the Specialty Shop under the Work-Standard. The Specialty Shop differs by being devoted to the distribution of foreign goods and services, except all transactions must be conducted in the corresponding Currency of the State owning the Special Shop. This rendition is capable of allowing the Socialist Nation to simultaneously open another Specialty Shop tasked with selling domestic goods and services for foreigners in their country. Another potential alternative for the Specialty Shop to differentiate itself from the Hard Currency Shop is its ability to facilitate two other variants that are intended by the Work-Standard to be the revolutionization of the Shopping Mall, the “Specialty Department Store” and “Shopping Citadel,” the latter of which is designed to be owned and operated by the Socialist Student Economy (SSE). Unlike the Shopping Mall, given the fact that its purpose continues to be similar to those found at the CMEA Hard Currency Shop, a Shopping Citadel is capable of facilitating an SSE’s activities and serve as the basis for a subvariant facility called the “Deep Underground Shopping Center (DUSC).” The implications of their technological capabilities for the SSE’s Student Government are undoubtedly deserving of its own Treatise due to the historical origins of the Shopping Mall’s Original Intent.

For now, the Work-Standard is capable of maintaining the Balances of Trades and Payments. Just as there must be a Balance of Power in the political realm, so too must there be Balances of Trades and Payments in the economic and financial realms as well. As stated earlier, the Central Bank should maintain reserves of Foreign Currencies to facilitate Imports and Exports. However, where the Work-Standard deviates is when the Trade Deficits become apparent.

Any Imports recorded while in a Trade Deficit will increase the nation-state’s Sovereign Schuld according to the Value of the Import. That alone creates the potential for a future “Sovereign Schuld Crisis.” Moreover, the Price of foreign currencies is increased by the Financial Régime and executed through the help of a distinct financial institution serving as the Work-Standard’s alternative to Financial Markets. The Work-Standard is capable of employing “Semi-Automatic Rebalancing (SAR)” as the Financial Regime becomes the *Arbeiter of Last Resort*. It can be employed only if the Socialist Nation is running a Trade Deficit, cannot take in additional Schuld, is running low on Foreign Currencies, and cannot afford to devalue its Currency without compromising the Fixed Exchange Rate. The SAR is meant to be a coordinated effort between the Financial Regime and Kontore and the State Commissariats.

Japan's Lost Decades and the Rise of Zombie Firms and Zombie Banks

The “Lost Decade” refers to an economic and financial crisis that affected Japan in the 1980s-1990s, the effects of which continues to linger as of late. The Japanese were devastated by the bursting of the asset-price bubble that came as the consequence of the 1985 “Plaza Accord.” Prior to any serious Western economist commenting on the meteoric resurgence of Mainland China, Japan was the country that attracted the most attention after the Death of Bretton Woods. Its economy in the 1980s was the leading contender against the economic strength of the US economy to the point of sparking a Trade War under the presidency of Ronald Reagan.

The “American-Japanese Trade War” was sparked over the rising trade deficits of the US economy and the unwillingness of the Japanese to adjust Exchange Rates. The US Dollar in the early 1980s was still suffering from high Inflation during Reagan’s first term, its Value depreciating in the midst of two Recessions. The Federal Reserve had its Interest Rates increased to reduce the amounts of US Dollars in circulation as Kapital, allowing the US Dollar to appreciate and bring the US out of its Recessions. One of the results that culminated from this affair in relation to the Japanese was the Plaza Accord, of which Japan was included as one of its signatories.

The Plaza Accord was followed by the “Louvre Accord of 1987,” when the US Dollar was allowed to depreciate further to offset US trade deficits as well as the Federal budget deficits due to the Reagan administration’s adherence to “Supply-Side Economics.” The Plaza Accord’s significance in relation to the Lost Decades is tied to the Japanese Yen appreciating in Value as a result of the US Dollar depreciating. The terms of the Plaza and later Louvre Accords contributed to the Japanese economy undergoing a Recession between 1985 and 1986, which concurred with the onset of an asset-price bubble that the Bank of Japan (BOJ) was reluctant in curtailing.

The BOJ figures prominently into why there was little or even no intervention whatsoever in avoiding the excesses of the asset-price bubble during the late 1980s. As the Japanese Yen appreciated during this period, the BOJ tolerated a contractionary monetary policy while the economy was expanding because of an overreliance on exports and Kapital for foreign investments only. But when the Yen continued to appreciate towards the end of the decade, the Japanese pursued a belligerent combination of monetary and fiscal policies. The BOJ pursued monetary easing that made borrowing cheap Kapital easier at preferable Interest Rates for potential Borrowers. Meanwhile, its national government increased public investments to generate Inflation in order to offset Currency Appreciation.

The financial effects of the bubble economy were discernible from various sectors of the Japanese Financial Regime. Land Prices outside of the major metropolitan areas fell massively whereas the metropolitan areas themselves rose or stagnated during this period. The commercial banks themselves allowed for an unusually large amount of Credit available for borrowing than the amount of Kapital that they could afford to maintain in their reserves. All of these factors had to be done in order to ensure that the Japanese Yen can finally acquire a healthy dose of Inflation to halt its constant appreciation in Value.

Unfortunately, as the Japanese economy was gradually becoming a Liberal Capitalist Market Economy, the proliferation of Kapital allowed the bubble to expand for years until it finally burst in the early 1990s. It was around this point that the country’s Financial Markets reported losses, Borrowers failing to pay back their Lenders, prolonged drops in asset prices commensurate with a fall in consumption and investments in the Japanese economy. Due to these factors, the

negative effects of the Lost Decade were allowed to permeate throughout the 1990s and continued to perpetuate themselves well into the 2000s and 2010s. Given the Japanese economic and financial woes that came from being affected in the Dot-Com Bubble, 9/11 Attacks, and the Great Recession, the term “*Lost Decades*” is far appropriate here.

Additionally, the Lost Decades contributed to the rise and gradual proliferation of “Zombie Firms” and “Zombie Banks.” Both proliferated in the wake of the initial Lost Decade in the 1990s and was allowed to accumulate among the major Liberal Capitalist Market/Mixed Economies of the Empire of Liberty, the Liberal International Economic Order (LIEO). These terms have been chosen by political economists to describe a phenomenon that resembles more like zombies rising from the dead to feed upon human flesh. In this sense, firms and banks are incapable of sustaining themselves and operating under heavy amounts of Schuld, their only ability to stay alive being a steady influx of Kapital from the Fractional-Reserve Banking System. For the Zombie Bank, it emerges whenever a bank makes too many bad loans while exhibiting the familiar characteristics of their non-financial counterpart. The Central Bank has often been employed by Liberal Capitalist regimes to support them, with their interactions characteristic of those undertaken by the BOJ.

Under normal economic conditions, it has often been said that such entities would have been expunged from the Liberal Capitalist Market/Mixed Economy. The Liberal Capitalist understanding of what passes as “Competition,” Darwinian and Malthusian in its social outlook, is related to the Spontaneous Order of Natural Selection that operates technologically in tandem with the Incentives of Supply and Demand. These Zombie Firms and Zombie Banks should have been weeded out by the Free Market, as its logic goes, but Liberal Capitalist economic theory is flawed in this particular sense because it neglects the possibility of certain firms “cornering the market” or becoming “too-big-to-fail.” There may be antitrust and anti-monopoly laws that cannot possibly be enforced just as the cost of nationalization is too much for the nation-state to tolerate. All of these factors were apparent in the Japanese economy, as evidenced by the prevalence of the “Keiretsu,” which refers to the country’s largest corporate conglomerates and concerns. It is only in this context does the appearance of Zombie Firms and Zombie Banks become a necessary evil that must be sustained by constant injections of cheap Kapital.

Zombie Firms and Zombie Banks are notorious for contributing to the growing inclination among Central Banks to pursue Negative Interest Rates in order to sustain them with cheap Kapital. Negative Interest is the polar opposite of a normal Interest Rate, where the Lender must pay the Borrower for simply lending. Since the Zombie Firms and Zombie Banks cannot hope to pay Interest on top of their initial borrowing expenses, it is common for Central Banks to issue them Kapital in the form of “bailouts.” Their significance has been cited in the Great Recession as one of the justifications behind the Wall Street bailouts by the US Federal Reserve.

Furthermore, the Coronavirus Pandemic itself has offered a new dynamic in the scale and depth of Zombie Banks and Zombie Firms. Since the Pandemic had prevented large numbers of people from traveling abroad or congregating in large gatherings, conditions are rife for certain firms related to Tourism to become Zombie Firms. In the US economy alone, the four major airline firms Delta, American, United and Southwest Airlines, Marriott International, and the Macy’s department store chain are considered among the 600 new additions to an economic phenomenon that emerged in the wake of Japan’s Lost Decades. Many of these firms are saddled with Schuld (Debt/Guilt) amounting to \$2.6 trillion US Dollars. The effects of the Lost Decades are systemic problems associated with the limitations of Liberal Capitalist economics and monetary policies. The whole thing is literally a consequence of the Death of the Bretton Woods.

Exchange Rates and the Impossible Trinity

Every Currency has an Exchange Rate that determines its Value when compared against the Value of another Currency. This is best demonstrated by the Price of conversions between one Currency to another. If one wishes to know how much their *Geld* (or, in most cases, *Kapital*) is worth in another Currency, begin by determining the Exchange Rate. That equation is:

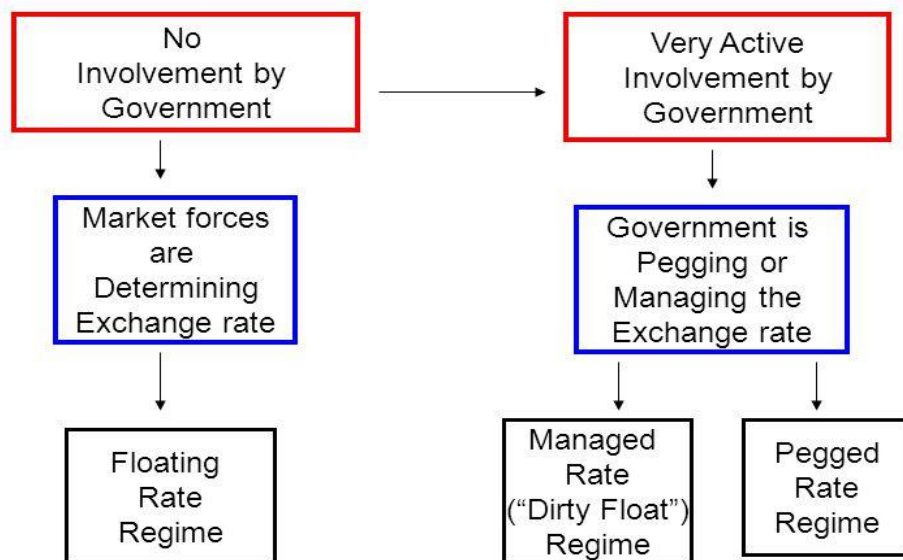
$$\text{Exchange Rate} = (\text{Starting Amount of Currency A}) / (\text{Total Amount of Currency B})$$

And if one knows the Exchange Rate and the amount of *Geld* that they have, but wish to know the final amount in the other Currency, the equation reads as:

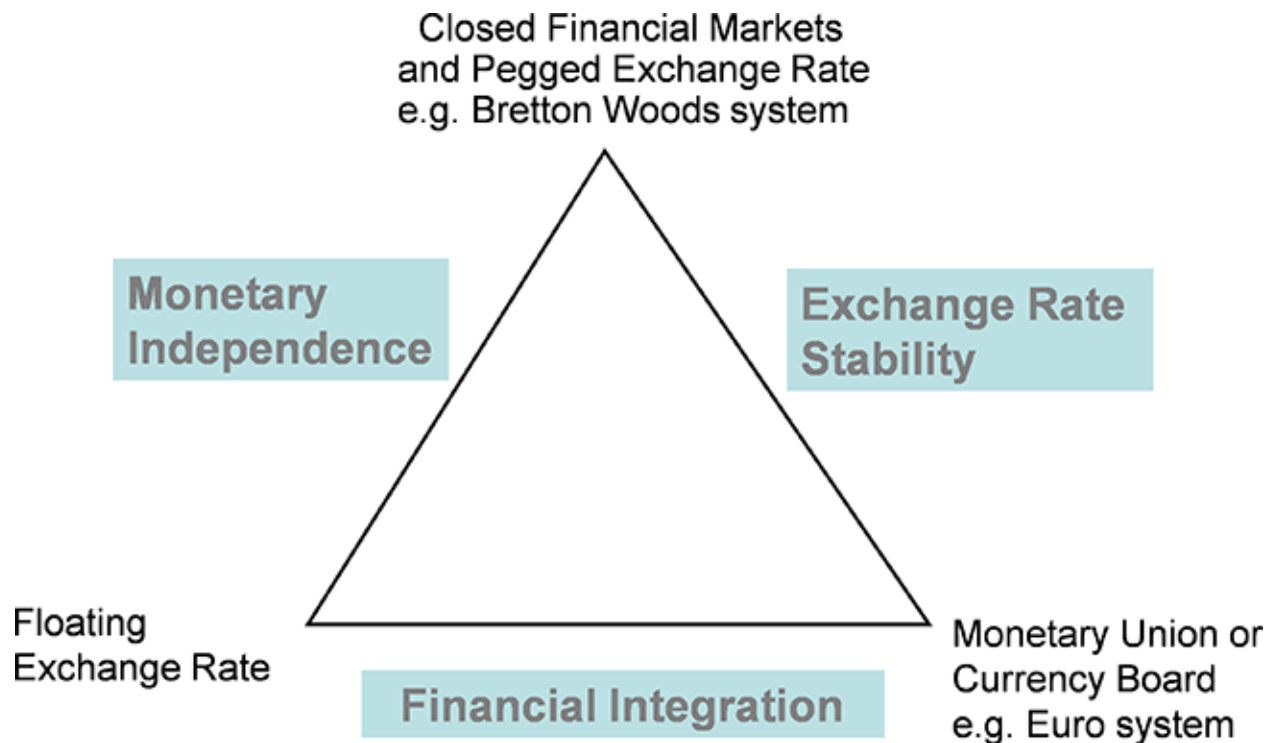
$$\text{Total Amount (Currency B)} = \text{Starting Amount (Currency A)} * \text{Exchange Rate}$$

The Work-Standard still operates according to those same equations. This is because the Value of a Sociable Currency, a Currency pegged to the Work-Standard, is being compared against the Value of another Currency. That other Currency may be another Sociable Currency or it could be another type of Currency altogether. The real differences begin with the monetary policies that ultimately govern Exchange Rates. The Death of Bretton Woods did not just give birth to the Debt-Standard and the trillions of US Dollars of Schuld (Debt/Guilt) plaguing whole economies. In addition to the questions of Market/Mixed Economies and Planned/Command Economies, there is also the question of choosing between “Fixed Exchange Rates” and “Floating Exchange Rates.” As this following diagram demonstrates:

Exchange Rate Regimes Today

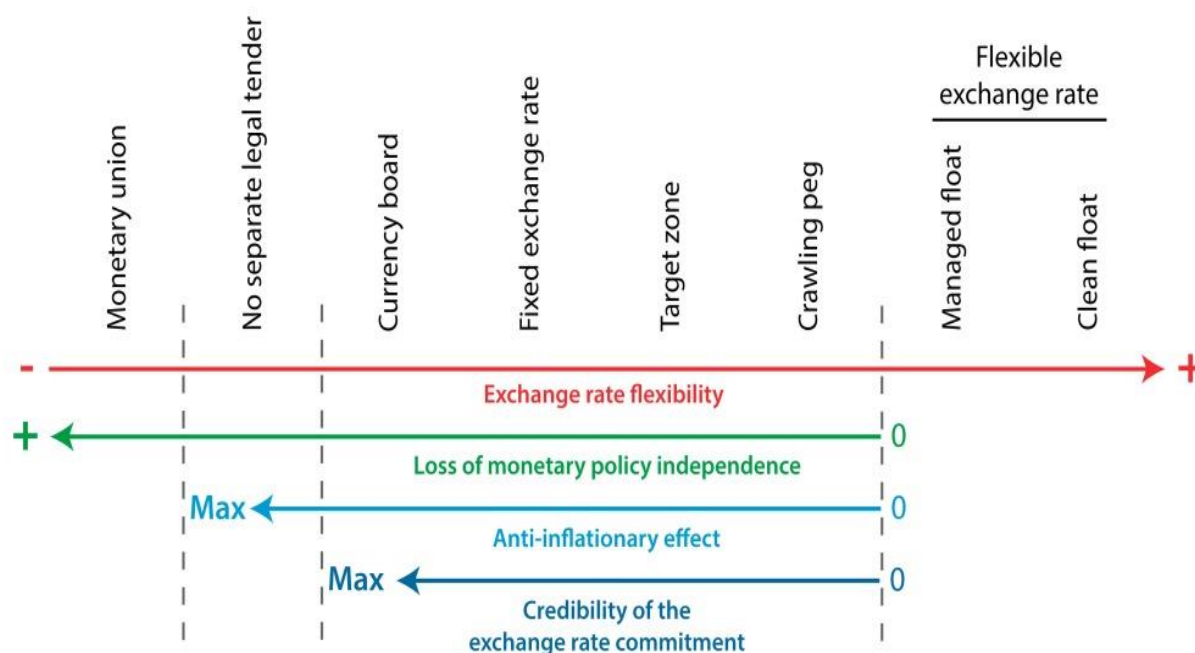


The difference between Fixed Exchange Rates and Floating Exchange Rates is far more than a political question of whether the Council State determines the exchange rate under the Intents of Command and Obedience or the Incentives of Supply and Demand. Insofar as the Work-Standard is concerned, there is the financial question of tackling the “*Impossible Trinity*.”



The Impossible Trinity refers to the ongoing dilemma within Exchange Rates where Currencies must balance between Sovereignty, Stability, and Mobility. In its simplest form, the Impossible Trinity insists that a Currency can emphasize two of the three attributes at the cost of sacrificing the advantages of the third attribute.

- “Sovereignty” is whether a nation issuing its own Currency is able to set Exchange Rates on its own terms. Either the Value of the Currency is determined by its issuing Financial Regime, influenced by another Currency or else issued by another Financial Regime like the European Union in the case of the Euro.
- “Stability” is whether the Currency in question can maintain its Value without too much Currency Depreciation/Appreciation. Either the Value of the Currency is considered operating on a Fixed Rate or else on a Floating Rate.
- “Mobility” is whether the Currency is allowed to move freely across international borders without any controls and taxes. Either the Currency is allowed to circulate across international borders freely without too much Currency Depreciation/Appreciation or else there are controls in place to prevent any large fluctuations in its Value as in the case of the Chinese Renminbi.



Currencies allowed to float are able to have more flexible exchange rates by means of the Incentives of Supply and Demand. While a Floating Exchange Rate maintains the sovereignty of a nation's ability to issue its own Currency, the Currency is not guaranteed to survive sudden, sustained rates of Currency Depreciation/Appreciation. Conversely, nations lose their monetary sovereignty when they join a monetary union like the European Union, which makes them less vulnerable to Currency Depreciation/Appreciation.

What happens when a Currency tries to be stable, sovereign and mobile at the same time? The result is a financial crisis associated with the Currency in question. The Mexican Peso Crisis of 1994-1995, Asian Financial Crisis of 1997-1998, and the Argentinean Financial Collapse of 2001-2002 are historical examples, each one demonstrating the consequences of applying all three.

Before any serious critique of the Impossible Trinity can be made from the purview of the Work-Standard, an investigation into its technical origins is needed. In essence, the Impossible Trinity finds its basis at the height of Bretton Woods during the 1960s vis-à-vis the "Investment/Savings-Liquidity Preference/Money Supply-Balance of Payments Model" (IS-LM Model), otherwise known best as the "Mundell-Fleming Model." Economists Robert Mundell and Marcus Fleming devised the model by building upon the IS-LM Model to apply for Liberal Capitalist Market and Mixed Economies. The IS-LM Model that the Mundell-Fleming Model is based on John R. Hicks' 1937 economics journal article "'Mr. Keynes and the Classics: A Suggested Interpretation,'" which found its basis in John Maynard Keynes' *General Theory*. Understanding the Mundell-Fleming Model entails also understanding the IS-LM Model.

The Investment-Saving Curve of the IS-LM Model refers to the Supply and Demand for the production of goods and services. Its equation reads as:

$$\text{Production (Y)} = \text{Consumption} * \text{Production} - \text{Taxes } [C(Y-T)] + \text{Investments (I)} + \text{Government Spending (G)}$$

The LM curve refers to the Supply and Demand for Kapital according to the Interest Rate and the Output of Kapital. Its equation is:

$$(\text{Money Supply (M)}) / (\text{Price Level (P)}) = \text{Money Demand (Interest, Production)}$$

The Mundell-Fleming Model builds upon the IS-LM Model by including the “Net Exports” of goods and services and their “Price Level” in another Currency. The Model is best for understanding Liberal Capitalist Market and Mixed Economies, but not suitable for understanding Socialistic Planned and Command Economies. Moreover, both Models are impractical for use with the Work-Standard due to relying on financial and economic paradigms more attuned to Socialism.

Given the three attributes of the Impossible Trinity and the two Models that have provided them their political legitimacy, it is conclusive to argue that the Work-Standard operates differently within the parameters of Fixed and Floating Exchange Rates. The reasoning for this is tied to the fact that the Value of a Currency pegged to the Work-Standard is guaranteed to a Fixed Exchange Rate backed by the Actual Arbeit of the Planned or Command Economy. Additionally, the Work-Standard requires a Currency’s issuing nation-state to wield the national sovereignty necessary in setting the Exchange Rates. This leaves the question of the movement of said Currency across international borders, which are nonetheless dependent on Real Trade Agreements (RTAs).

The question of whether to impose controls on the movement of Currencies across international borders is a technological matter inasmuch as it is also financial and geopolitical. The Work-Standard provides justifications for imposing greater flexibility in terms of monetary flows for the Council State. While the Totality can technically move Actual Geld across international borders with relative ease, the State will always be the final authority on deciding the Exchange Rates and whether there will be FECs (Foreign Exchange Certificates) in circulation or not. This is because the Council State is responsible for handling all matters related to International Trade.

Applications of Autarkic and Protectionist Trade Policies

Alexander Hamilton has given Socialism its political philosophy on the conduct of international trade. “Protectionism” and “Import Substitution Industrialization (ISI)” are the means of achieving Autarky. Autarky, it should be prefaced, is not an ideal but a strategic goal for the State of Total Mobilization. Total Mobilization in peacetime alone is resource-intensive and this is even more so the case in wartime. This applies for Production for *Profit*, Production for *Utility* and, yes, Production for *Dasein* in the case of the VCS Economy and its Work-Standard. These considerations are what inform the Council State of a Constitutional Intent that grants itself a Constitutional Obligation of wielding the power to decide what shall pass through customs and what will avoid crossing international borders during times of both war *and* peace.

Granted, it is perfectly understandable for everyone to be skeptical of achieving Autarky. Not every resource the VCS Economy needs is going to be found within the Socialist Nation’s borders or they are not sustainable insofar as they exist in small deposits scattered across the country. This is an issue of geography as opposed to politics or even economics because nobody from really asked to have their borders drawn in the manner that they are. It is a problem that everyone in Western Civilization, Liberal Capitalists and Socialists alike, have been trying to find proper workarounds. There are two ways of achieving this, waging war and signing trade agreements, and it was Hamilton who had advocated for both in the spirit of Prussian Realpolitik.

When America was originally a “Perpetual Union” of thirteen former British colonies, Hamilton stressed the US economy’s need to be self-sufficient by advocating for a national bank. He sought to find ways to implement economic planning in the US economy for the farmers and manufacturers, ways for Americans to register technical patents with the Federal Government, and ways for the Federal Government itself to become a Command Economy. When he was not writing *The Federalist Papers* or debating with Thomas Jefferson and the Democratic-Republicans, he was laying the groundwork of American Conservatism and American Socialism. There were also other occasions where Hamilton advocated for a Trade War against the British Empire, forged cordial diplomatic relations with Latin America, proposed annexations of Spanish Florida and French Louisiana and counterintelligence operations against industrial espionage. He insisted on a US Armed Forces to serve alongside the US economy. And he made sure to maintain his diplomatic relations with the Prussians who had helped America gain its independence.

Many of Hamilton’s arguments can also be extended to the production of weapons and vehicles. If the domestic armaments industry can design and manufacture weapons for the armed forces with superior Quality of Arbeit at a sustainable Solidarity Rate, there is no need to be importing large numbers of FNs from Belgium, H&Ks from West Germany, Kalashnikovs from Russia or Norincos from the PRC. Conversely, if the domestic automotive industry can design and manufacture automobiles with superior Quality of Arbeit at a sustainable Solidarity Rate, there is no point to importing large numbers of Toyotas from Japan, Volkswagens from West Germany, Renaults from France, or Fiats from Italy. This is not to suggest that the military is forbidden from preferring the weapons of other armies or that motorists are forbidden from preferring the automobiles of other economies. At some point, the Socialist Nation will eventually allow for its citizens to import foreign vehicles and its military to import foreign weapons, but the parameters of how the citizenry and the military conduct themselves is dependent on the Council State.

The Socialist Nation faces historical challenges reminiscent of Federalist America in the 1790s. That Nation, wherever it may be on a political map of Earth, lives in a world beset upon by countries drowning in their own Schuld amidst a deluge of Kapital. There are foreign commercial firms queuing in line like those Muscovites outside the McDonald’s in Pushkin Square, offering

to sell goods and services that the Totality neither needs nor wants. There are Liberal Capitalist regimes interested in making Faustian pacts with the Totality called “Free Trade Agreements” (FTAs). The International Monetary Fund (IMF) and the World Bank will also be offering what the Austrian School of Economics call “cheap credit” in exchange for the dissolution of the Financial Regime to unpeg the Currency from the Work-Standard. For now, we ignore all of them.

The moment that their Currency is pegged to the Work-Standard, the Socialist Nation will need to maintain ample reserves of “**Blood Money**” (Read: Kapital of Liberal Capitalist Commodity, Representative and Fiat Currencies) and “**Dirty Money**” (Read: Kapital of Socialist Currencies unpegged to the Work-Standard) in two accounts separate from two additional accounts reserved for “**Clean Money**” (Read: Any Currency pegged to the Work-Standard and the Totality’s Arbeit and Geld as Total Productive Potential, TPP) at the Central Bank. Everything changes if the world order becomes more favorable to the Socialist Nation’s cause as other countries begin pursuing Socialism and pegging their own Currencies to the Work-Standard.

We begin by visiting the Central Bank of the Socialist Nation at our national capital. Everyone who enters goes through “post-9/11 TSA airport security” and gets strip-searched, just as everyone else who leaves is also strip-searched under the tightest scrutiny by the State. Racing through an Olympics obstacle course that the State had set up below the ground floor elevators, we arrive at the reinforced bank vaults of the Life-Energy Reserve. Inside those vaults are several different accounts, two of which we already discussed in other entries in the SMP Compendium:

First row of vaults houses the two “Accounts of Life-Energy Reserve and Total Productivity Potential (**LER-TPP Accounts**).” The LER Account contains the Arbeit entering the Life-Energy Reserve under RTEP (Real Total Economic Potential) and leaving as Geld in circulation under RTFP (Real Total Financial Potential) before ending up at the TPP Account. The TPP Account includes administrative funds in the State Budget *and* numerous accounts owned by the Totality as the “**People’s Geld**.” As more nations adopt Socialism *and* peg their Currencies to the Work-Standard, any State investments and Foreign Currencies will be stored here as “State Investment and Economic Foreignization Accounts (**SI-EF Accounts**).”

Second row houses “Kapital Account of Blood Money (**KBM Account**).” Those include Currencies like the US Dollar (if not pegged to the Work-Standard), UK Pound Sterling, EU/NATO Euro, West German Mark, Swiss Franc, Japanese Yen and so forth. The name is symbolic of the fact that those Currencies are relying on the Incentives of Supply and Demand and their rates of Currency Depreciation/Appreciation rely on Inflation/Deflation and Interest Rates.

The last row houses “Kapital Account of Dirty Money (**KDM Account**).” The Currencies stored here may include the Venezuelan Bolivar, Cuban Peso, Chinese Renminbi, Vietnamese Đồng, Soviet Ruble, East German Mark, and so forth. Those Currencies may be from Socialist countries, but all of them are still relying on the same Conception of Currency as the ones found inside the KBM Account. Only when their central banks peg their Currencies to the Work-Standard can we finally begin storing them in the TPP Account for Office IV of the Kontore.

Returning to the surface, we drive to the local branch of the regional Kontor covering the national capital as part of its administrative. There may be a line outside with metropolitan police present at the front entrance, the drive-through packed like a fast food restaurant at lunchtime. Or there could be no line to speak of outside and the police are in another part of the capital. In any case, there’s a teller leaning against a counter behind plexiglass, a CCTV camera staring at us. She keeps a loaded snub-nose revolver inside a drawer, and she is authorized by the State to defend the facility until the police arrive. Similar countermeasures are also present to deter armed robberies by the banks under the Reciprocal-Reserve Banking System.

- Will we ask her to “convert our ‘Clean Money’ into ‘Dirty Money’ or ‘Blood Money?’”
- Will it be “convert our ‘Blood Money’ into ‘Dirty Money’ or ‘Clean Money?’”
- Or will it be “convert ‘Dirty Money’ into ‘Blood Money’ or ‘Clean money?’”

Remember, there is a world of difference between our Geld pegged to the Work-Standard, Socialist Currencies unpegged to the Work-Standard, and the Kapital of Liberal Capitalist Currencies. Chances, we may decide to find Arbeit abroad in a Liberal Capitalist regime and start sending Kapital back to this same Office IV and wired to our savings accounts at an NSB (National-Socialized Bank) somewhere?

For clean conversions, we either receive the receive *a Foreign Exchange Certificate (FEC) of another Socialist Currency* or else *the actual Kapital* of Liberal Capitalist regimes. Unlike their Liberal Capitalist or unpegged Socialist version, FECs under the Work-Standard are an NSFI that allows anyone to convert it into Geld or another Currency within a limited period of Zeit. Listed on every NSFI is the recipient’s name, rank, vocation, a preferred point of contact (i.e. mailing address, telephone number, email address, bank account etc.), and a red stamp from Office IV.

For messy conversions, we either receive an FEC to another Currency or else our own FECs (if we are not citizens) or else *the actual Geld* of our own Financial Regime (if we are citizens). FECs for Liberal Capitalist Currencies are in a different color for easier differentiation with the ones for unpegged Socialist Currencies. Like the *Authentic Dasein* and *Inauthentic Dasein* from *Being and Time*, Office IV either ‘cleanses’ Kapital by turning it into Geld or ‘putrefies’ Geld by turning it into Kapital respectively. The State issues FECs through the Office IV of every Kontor for those interested in working abroad. Technically, a Real Trade Agreement with Liberal Capitalist Currencies will allow us to send Kapital *and* Arbeit across international borders. The Liberal Capitalists are somehow convinced that there is such a thing as a Free Lunch under Socialism and so there ought to be a Free Trade under Socialism as well. Unfortunately, the Work-Standard reveals the opposite for Liberal Capitalists too idealistic to realize this: **“There is no such thing as Free Trade under the Work-Standard because there is no such thing as a Free Lunch under Socialism!”**

For dirty conversions, we either receive *an FEC to our Geld* or else *the actual Kapital* of Liberal Capitalist regimes. Note that the Socialist Currencies will also be issued FECs in a color different from the FECs intended for Liberal Capitalist Currencies. The FECs that the State issues to Socialist foreigners are designed to contribute Arbeit for the VCS Economy and generate Geld for their Totality under the terms of a Real Trade Agreement. If somebody decides to work abroad, they will be contributing Arbeit to a foreign Socialist Planned/Command Economy’s Life-Energy Reserve in exchange for Geld being wired to Office IV of a Kontor. Once other Socialist regimes catch on to the Real Trade Agreement and are convinced of the Work-Standard’s efficacy, we can finally expect other Socialist States to start pegging their Currencies to the Work-Standard.

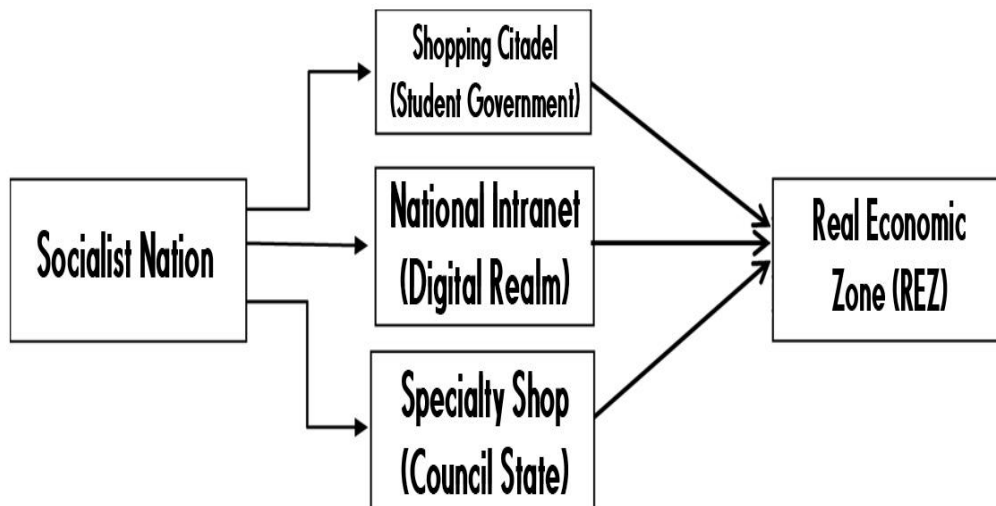
When conducting Real Trade Agreements with Liberal Capitalist regimes, there are plenty of ways to maintain our Authentic Dasein while working abroad. There are cargo ships running at full-speed in the oceans, airlines carrying passengers above the midday clouds, trains hauling other passengers and motorists on the highways of international borders. Our “Barriers to Trade” in Liberal Capitalist regimes include a combination of Liberal Capitalist and Socialist variants.

For Liberal Capitalists, there are “*Tariffs*” and “*Import Duties*” (Excise Taxes), “*Export/Import Quotas*” (Limitations on Exports/Imports), “*Subsidies*” (Kapital for Liberal Capitalist firms), “*Intellectual Private Property-as-Wealth*” (Problematic for the State if the VCS Economy creates imitations with superior Quality of Arbeit), “*Trade Restrictions*” (Bans that may create black markets for Liberal Capitalists if goods and services from the VCS Economy

command a Quality of Arbeit superior to theirs), and “*Economic Sanctions*” (second-most dangerous, but depends on having negative diplomatic relations with Liberal Capitalists), “*Trade Wars*” and “*Currency Wars*” (most dangerous if the Liberal Capitalists become really annoyed by the Work-Standard). Note that everything discussed here relies on Kapital and Schuld as well as the Liberal Capitalist conception of Property.

For Socialists, the Work-Standard has plenty of and some of them were already explored in various SMP Compendium Entries. “*Special Charges*” and “*Mechanization Rates*” (to grow the entire VCS Economy) and *Service Fees* (for bank loans and all NSFIs, including conversions from Kapital to Geld), “*People’s Surcharges*” (for local communities with foreign Enterprises), “*Anti-Migrant Laws*” and “*Anti-Immigration Laws*” (Nationalists, Conservatives and Traditionalists demanding foreigners to behave themselves while the Anarchs and the Arbeiter agitate for foreigners to be issued their own Paygrades in Geld). “*Voluntary Import/Export Limitations*” (the State decides which goods or services shall pass through customs), “*Export Licenses*” and “*Import Licenses*” (requires the joint approvals of State Council and Head of State and applicable all technical patents), “*Administrative Barriers*” (the State Commissariats block Liberal Capitalist goods and services by forcing their creators to conform to the State’s regulations, driving up their Prices). “*Anti-Dumping Laws*” (Offices I, III, VI and VIII of all Kontore turn the tables on Supply and Demand by insisting that all goods and services to conform with the Quality of Arbeit of the Socialist nation), “*Trade Embargos*” (the State cracks down on Economic Foreignization of the VCS Economy), “*Trade Wars*” and “*Currency Wars*” (Hamilton’s Authentic Dasein). Note that everything here relies on Arbeit and Geld as well as the Socialist conception of Property.

When conducting a Real Trade Agreement, the Socialist Nation will need to establish “Real Economic Zones (REZs)” and “Real Trade Partnership (RTP)” in the cities and metropolitan areas of Liberal Capitalist regimes.



An REZ refers to special locations where the Work-Standard is currently active in a Liberal Capitalist regime. Our Enterprises can be found here, wiring contributions of Arbeit and generations of Kapital across international borders. The Arbeit enters the Life-Energy Reserve and the Kapital cleansed to be counted as Geld by Office IV of Kontore. Expect the foreigners to be paid in the Currencies of their Liberal Capitalist regimes. There is always “International Workers’ Day (May 1),” where the citizens of the targeted Liberal Capitalist regime will get their only chance in an entire year to convert their Arbeit into Geld under Liberal Capitalism. The demand

for economic freedom under Socialism is the demand for Arbeit under the Work-Standard. There will never be enough Arbeit in existence under a Liberal Capitalist Market/Mixed Economy.

An RTP is a “Consortium of REZs” inside another Socialist or Liberal Capitalist regime. They refer to specific regions where our Enterprises are allowed to operate. If the REZs began at the points of entry into another nation, then the RTA is the VCS Economy’s chance to move further inland into the countryside and eventually the capital itself. It would help our Enterprises to ease strained relations with the labor unions and national populists of Liberal Capitalist regimes if accommodations can be made for their Nationalists and Socialists to join forces, win the next parliamentary election, let their parties to take power democratically, and build their own Socialism so they can achieve true Balances of Trades and Payments with our State.

If the concept of REZs and RTAs sound familiar, that is because the Liberal Capitalists had employed their own versions of these tactics between the 1970s and 1980s. Those Hard Currency Shops in the former Soviet Union and Eastern Bloc countries were only there for the Kapital and Schuld of sustaining their trade deficits with the Western Bloc and the Jeffersonians. There is a reason why whole countries around the world became subjected to Liberal Capitalist Market/Mixed Economies and Parliamentary Democracies from 1989-1991 onwards. The Socialist Nation will be bombarded by those ploys until it decides to return the favor in kind.

On Movements of Arbeit, Geld, and Information

In the Socialist Nation, everyone is expected to live within their own means of production, regardless of whether there is any international trade or not. Even so, there will always be moments where the State will be conducting trade with other nations that may not necessarily have Currencies pegged to the Work-Standard or are cordial Socialist regimes. In a regular Real Trade Agreement conducted between two Currencies under the Work-Standard, one country will have the Arbeit and the other country will have the Geld. Just as how the Totality contribute Arbeit to their own State and receive Geld, something similar will become applicable to different States.

Let's begin with two Socialist States with Currencies pegged to the Work-Standard, "State A" and "State B." State A can give *either Arbeit or Geld* to State B, State B sending *either Arbeit or Geld* to State A. State A may theoretically give State B *both Arbeit and Geld* if State B is able to return the favor by sending *both Arbeit and Geld* to State A. Neither State is going to give the other State anything without expecting something back in return, just as their Totalities expect to be given Geld for their Arbeit under the Work-Standard. That is the Implicit Intent behind why the concept of a Real Trade Agreement (RTA) must stress the need for an exporter and an importer to maintain a Balance of Trades and Payments.

Certain accommodations may be made by the two States in their RTA in the context of "Economic Foreignization." We can expect up to three different modes of Economic Foreignization within two different pivots of Real Trade: Bilateral and Multilateral.

Bilateral Real Trade

State A could allow State B to have one of its Enterprises establish a presence within State A. From there, State A will then be able to receive the Arbeit from that "Foreign Enterprise" because it can be argued that most of the people working there are the legal citizens of State A. State B, meanwhile, retains ownership of that Enterprise and will be receiving the Geld. Alternatively, if State A does not have anyone who can operate the "Foreign Enterprise," it is possible for State B to allow their own citizens to work abroad. State B gets the Arbeit as the owner of the "Foreign Enterprise" and State A will be receiving the Geld.

If there are any foreigners from State B and any citizens in State A involved in the day-to-day affairs of said "foreign Enterprise," States A and B will need to split the Arbeit and Geld. The amount varies and there are plenty of possibilities where either State could gain a trade deficit or a trade surplus. Certain contexts may even require both States to receive 50% of the Arbeit and Geld each, State A receiving 75% Arbeit and 25% Geld and State B receiving 25% Arbeit and 75% Geld, or vice versa for the reverse. It is up to those two States to decide for themselves how they wish to proceed to ensure a proper Balance of Trades and Payments.

Here, we encounter once again the Political Organization Problem. How does one reconcile the fact that not all Socialisms are the same? How are our Economic Planners, Accountants, Inspectors, Administrators, and Civil Servants supposed to conduct themselves if they decide to pursue their Vocations in other countries? Can we expect MTEP (Mission-Type Economic Planning) to continue in Socialist countries with some form of STEP (Soviet-Type Economic Planning) like the PRC, Vietnam, DPRK, or Cuba? How do we expect our version of Economic Planning to operate within countries employing limited degrees of Economic Planning such as Japan, Taiwan, France, Venezuela or Russia? What about countries that do not employ any Economic Planning like the EU/NATO member-states or America under Jeffersonianism?

Everyone pursuing their Vocations abroad are expected by the State to demonstrate fluency in the language and familiarity with the culture of their destination. They may like, dislike or be

indifferent to the People's Party (or the 'Ruling Party', if the regime is Liberal Capitalist) of the destination, but they need to be made aware that they are only there on behalf of the diplomatic consulate at the embassy, which is going to be located somewhere in the foreign nation's capital. As for the Intents of Command and Obedience, our State will only allow Enterprises with an Economic Organization Rank of "National-Socialized," "State-Owned" or "State-Administrated." A State-Administrated Enterprise that works abroad is always under the direct command of our State, a State-Owned Enterprise under our State's indirect command. We can expect most of our Enterprises working abroad to be National-Socialized Enterprises, which is under the command of the hosting State's Intents of Command and Obedience. The NSE is more flexible in the international movements of Arbeit, Geld and Information than the SOEs or SAEs. While NSEs are always the last Enterprises to leave in the event of strained diplomatic relations, whatever economic organization that acted as their superior is likely to be an SAE or SOE.

Multilateral Real Trade

Multilateral Real Trade will only be made available once there are at least three or more countries with their Currencies pegged to the Work-Standard. Going back to the established scenario, State A and State B are joined by States C, D and E under the terms of a revised Real Trade Agreement. The five States agreed to allow fifteen NSEs, SOEs and SAEs to operate in the other four States. The basic premise from earlier still applies, except now they include concepts drawn from SMP Compendium Entry "The State and the Socialist Conception of Property."

Any NSE, SOE or SAE sent by State A to States B, C, D and/or E will be sent back to State A. States B, C, D and E keep the Arbeit from the Enterprises of State A because everyday operations are being done by the citizens of those four nations.

Alternatively, Alternatively, if neither of the other States does not have anyone who can operate the fifteen Enterprises, it is possible for State A to allow their own citizens to work abroad. State A gets the Arbeit as the owner of those Enterprises and State A will be receiving the Geld.

If the fifteen Enterprises from State A have its own citizens working alongside the citizens of States B, C, D and E, State A has two options. Either State A arranges with each of the other four States on separate rates based on a per-State basis or sets the rate with the other four States together before their Heads of State sign the RTA. This phenomenon is called a "Solidarity Preference," and we can expect the rates of Arbeit and Geld to not be uniform. The challenge here is more different than simple Bilateral Real Trade between States A and B, but the general premise is still the same regardless: all five States must decide for themselves and their Totalities on the international agreements that they are bound to uphold under international law.

On Formation of Customs Unions and Monetary Unions

If there are already five different Currencies pegged to the Work-Standard, certain accommodations may have to be made for Customs Unions, Political Unions, Economic and Monetary Unions. Anything short of literal annexation through economic means is acceptable and shall be left to the discretions of the involved States. States A, B, C, D and E could be scattered around the world or geographical neighbors situated on the same continent. Their Heads of State may even decide for themselves that their Totalities are best-served in a “Customs Union.”

The goal of a Customs Union is to enhance the Quality of Arbeit and the Quality of Geld for both exporters and importers, thereby achieving the Balances of Trades and Payments at the same time. For Quality of Arbeit, a Custom Union affects the Mechanization Rate and the Force Multipliers in the contributions of Arbeit by allowing preferential prices for automated machinery and computer software as well as easier ways for scientists, engineers, programmers, scholars and artists to work together. If they and countless other professions are working together, and provided their States are able to maintain the Balances of Trades and Payments, we can expect enhancements to the Quality of Geld’s Economic Socialization and Solidarity Rate. The effects of a Solidarity Preference can then be minimized, allowing for better coordination between different Enterprises and economic planners, accountants, inspectors, bureaucrats, administrators and civil servants.

A Customs Union has the potential for Prices of goods and services among its member-states to be favorable to exports and imports. They can also form the nucleus around a military alliance that can forge a Political Union. Here, the Heads of State from States A, B, C, D and E to lead the Political Union. They are the ones who will work together to coordinate the affairs of their Political Union while also respecting the national sovereignties of their States. The potential is there for a political-economic-military bloc going above and beyond whatever the CMEA/Warsaw Pact member-states were capable of achieving thanks to the Work-Standard.

If those Heads of State are ambitious enough, they can finally lay the groundwork for a world order without Liberal Capitalism. An Economic Union is formed if they are able to invite other Socialist nations to adopt a different form of Total Mobilization, introduce them to MTEP, State Commissariats, Kontore, the VCS Economy and its five different Enterprises, and the SSE. It would be best that the Economic Union is formed once there are anywhere between ten and thirty member-states. Once the Work-Standard has achieved at least thirty to sixty member-states, those same five States will be in the position to establish a Monetary Union. An entirely different world order in opposition to the Liberal Capitalists’ Liberal International Economic Order (LIEO) is now within reach, with Socialism on the rise outside of this world order.

The Monetary Union of States A through E will be where the Work-Standard, MTEP, VCS Economy and the SSE, the Kontore and State Commissariats, Reciprocal-Reserve Banking System, and so on will be present among a sizeable portion of the world. That is their chance to lay the groundwork for the proposed introduction of a different World Reserve Currency pegged to States A through E’s Currencies. By this point, States A through E are already economic powers and may even be among the ten largest economies on Earth. We will explore the details of this proposed World Reserve Currency in the next two SMP Compendium Entries.

On the Propagation of Information

Furthermore, advertising is like political propaganda when done incorrectly under the Work-Standard. The Liberal Capitalist way of creating an advertisement is to *inform* its observers about the existence of a product as a Commodity and *persuade* the observer on why they ought to buy it with Kapital. This sort of advertising is limited in Socialisms whose Currencies are unpegged

to the Work-Standard, while the Socialisms with Currencies pegged to the Work-Standard having ‘banned’ such propaganda in favor of its own conception of advertising. The Liberal Capitalists question the latter decision by insisting on how people will learn about the existences of certain products if their propaganda does not exist. Where there is a Liberal Capitalist way to advertise propaganda for the Economic Calculation Problem, there is a Socialistic way to propagate advertisements for the Political Organization Problem.

When an American observes a McDonald’s advertisement, what are they expecting? They anticipate either a new food item for sale at a listed Price, a promotional deal for an existing one at a Comparative Advantage (Read: Dollar Menu), a limited-time event (Read: McDonald’s Monopoly) or a limited-time item as part of promoting media like a movie or a TV show (Read: a Szechuan sauce item for a Happy Meal in the late 1990s and again in the late 2010s to promote a TV show). When the advertisers miscommunicated the Intents of Arbeit by focusing on the Incentives of Kapital, McDonald’s had to give away millions of free Big Macs, French fries and Cokes as part of the 1984 Olympics.

Therein lies the key distinctions between Liberal Capitalist advertising and Socialist advertising: if our investors from one of the Kontore are deciding to open a McDonald’s franchise, a distinct methodology of advertising will become feasible with the Transvaluation of all Arbeit *and* the Equipmentality concept from Martin Heidegger’s philosophy in *Being and Time*. In essence, Repurpose the advertisement and franchise according to their Reference and Relevance to the Socialist Nation vis-à-vis the Work-Standard. There are several ways this can play out and each one has had an historical precedent in the international conduct of McDonald’s.

Reference: McDonald’s Corporation is an American fast food restaurant chain specializing in hamburgers, a Prussian-American food derived from the *Frikadelle* of the German-speaking world. Their “Fillet O’Fish” is a work of art from a Prussian-like challenge to determine whether American Roman Catholics would prefer it over its competition, the “Hula Burger.” International operations by the McDonald’s Corporation have had a long history of allowing the franchises of different countries to develop localized variations of their food items as a “Solidarity Preference” (like how the McRib pork sandwich is never eaten among Muslims for religious reasons or how the food items with beef are never eaten among Hindus as it is illegal in India for religious reasons). Examples include the “Big N’ Tasty” among the branches of the EU/NATO member-states and the “Kiwiburger” among the branches of New Zealand. Additionally, there are certain countries where food delivery is the preferred method over drive-through.

Relevance: There may be contexts where people may not have enough time to prepare their own meals before heading to the workspace. Some of us do not have any patience to be waiting in line at the cafeteria and others may have to work late at night when most of the local restaurants could be closed. There are also countries where a McDonald’s restaurant may feature a drive-through or food delivery options. Also, there can be a special downloadable app on the smartphone where “Work-Plans” are placed ahead of time and arrangements made for pickups or deliveries.

Repurpose: A creatively Socialistic advertisement features somebody interested in a place to eat for breakfast, lunch or dinner. They are pressed for time, are confident enough to avoid being like Morgan Spurlock in *Super Size Me* and would like their meals to be prepared ahead of time. He invests his Geld into a Work-Plan on a specific date, paying for both the food and the Service Fee from his local Kontor’s Office II, and sends it to a

location of his choosing. That McDonald's branch receives its Work-Plan and somebody will be there to ensure he picks up the breakfast on the way to the workspace, during his lunchbreak, and when he returns home. Any McDonald's advertisement shown in the Socialist Nation shall not be about any particular product or even the promotion of any form of media. Instead, focus more on the Quality of Arbeit itself and the Kontor floor traders and day traders at the restaurants themselves.

If the McDonald's Corporation decides to establish a presence within the nation, ensure that they are coexisting *in the State of Total Mobilization of Production for Dasein*. If the Central Bank decides to raise the Mechanization Rate to offset any signs of Currency Depreciation, expect some or all local McDonald's locations to begin employing aspects of automation technologies. The McDonald's Corporation already has the technologies, expertise, experience, and logistics for local branches to facilitate it. What they are missing are the Work-Standard and its Mission-Type Economic Planning, the Intents of Command and Obedience, and a coordinated codetermination of economic, financial, political and legal powers in a *Schwerpunkt* (Focal Point) by the State, the VCS Economy, Kontore and State Commissariats. The Totality keeps the Arbeit—the most valuable in any Real Trade Agreement because Offices I, II, III and VII shall oversee its whole area of operations, Office IV ensuring that a portion of the Geld goes straight to the McDonald's Corporation vis-à-vis one of our NSBs (National-Socialized Banks). The local branches are organized as POEs (Public-Owned Enterprises) under the direct command of an NSE (National-Socialized Enterprises) accepting Arbeit and Geld from potential investors at the Kontore.

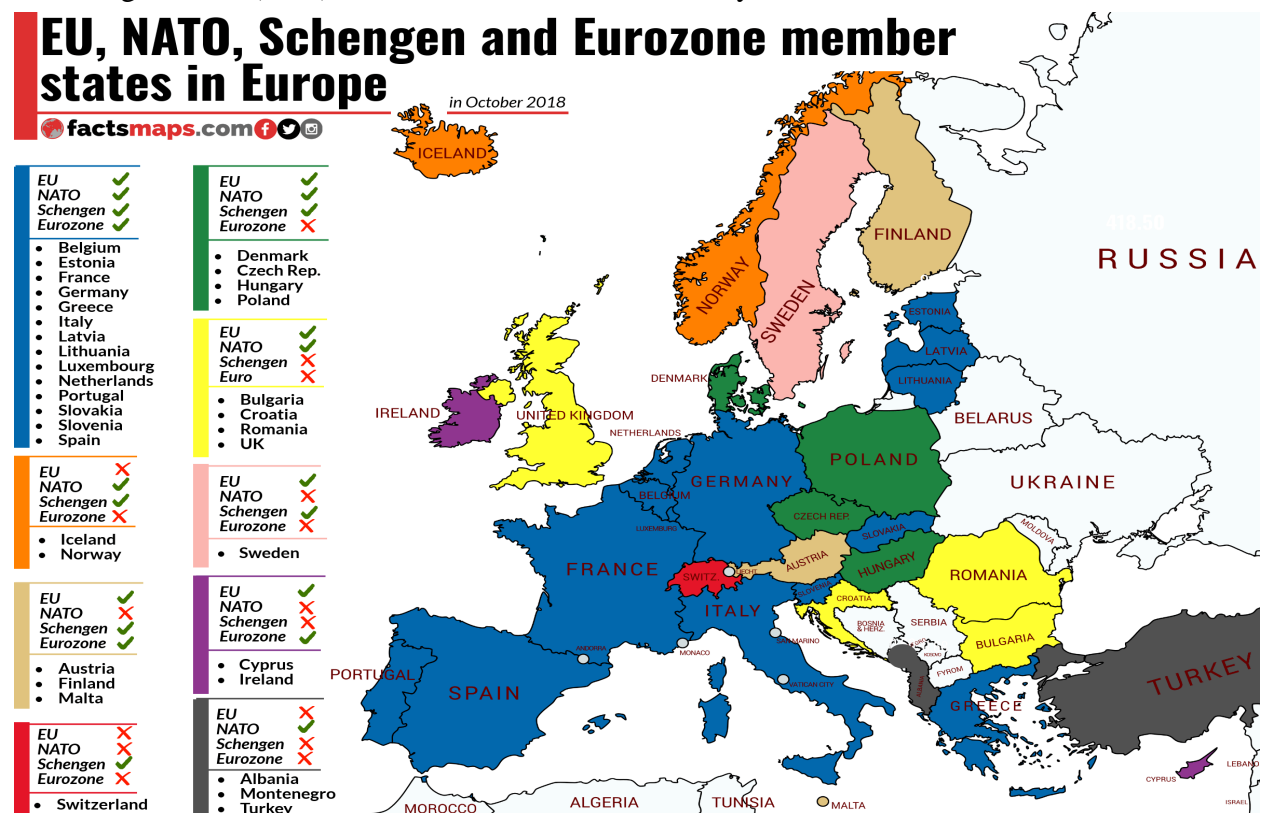
Remember, the extent to which the McDonald's Corporation has any presence in the Socialist Nation rests squarely on the State. The State itself will always be the final authority in deciding whether or not the McDonald's Corporation is allowed to operate as part of a Real Trade Agreement with these United States. Meanwhile, the Totality must continue to remain faithful to who they are, always striving to uphold their higher sense of Authentic Dasein. It is important to be aware of this consideration because the number of McDonald's locations throughout the Socialist Nation will not be as many as a United States under Hamiltonian Federalist Socialism with its US Dollar pegged to the Work-Standard. And when Hamiltonian Federalist Socialism is governing the US, all of the basic elements of Real Trade are still applicable in the emerging Socialist world order without Liberal Capitalism.

Political-Economic and Currency Unions

As established earlier in the SMP Compendium, the Socialist Nation's geographical location is impacted by whether it is in the Western world ("developed country") or outside the Western world ("developing country"). The details of the Work-Standard are broad enough to envisage a variety of different geographical locales and different ways of living by recognizing the multiplicities of different ways of economic life on Earth. What matters is whether its government is consciously willing to adopt the Work-Standard and restructure the political, economic and financial realms through revolutionization instead of reformation. Nations already under Socialism will have an easier time making the necessary restructuring adjustments insofar as the Work-Standard opposes market reforms. Those market reforms are based on Liberal Capitalist concepts, philosophies, methodologies, and policies. None of the historical and existing Socialist regimes would have adopted the reforms if they had been operating on a Socialist Monetary Policy (SMP).

The Work-Standard will no doubt alter applications of Technology and how people interface with them in their everyday lives. When the Mode of Production shifts from Production for *Profit/Utility* to Production for *Dasein*, the Work-Standard will then be in the position of allow for the existences of Council Democracy and the VCS Economy. Its methods require specific artforms and applications cognizant of the ways of Arbeit-into-Geld and Geld-into-Arbeit, the Figure of the Arbeiter determined to help the nation readjust to the State of Total Mobilization.

Granted, the real challenge pertains to the issue of political-economic and currency "Unions" within the Western world. Both the EU/NATO and these United States are organized as Unions, regardless of whether the Liberal Capitalists in the West will acknowledge this or not. Unions like the American Union or the European Union have their own legal jurisprudence which are binding on all of its members. But unlike the EU/NATO, which is essentially an elaborate Free Trade Agreement (FTA), America is a Nation bound by a shared National Consciousness as a



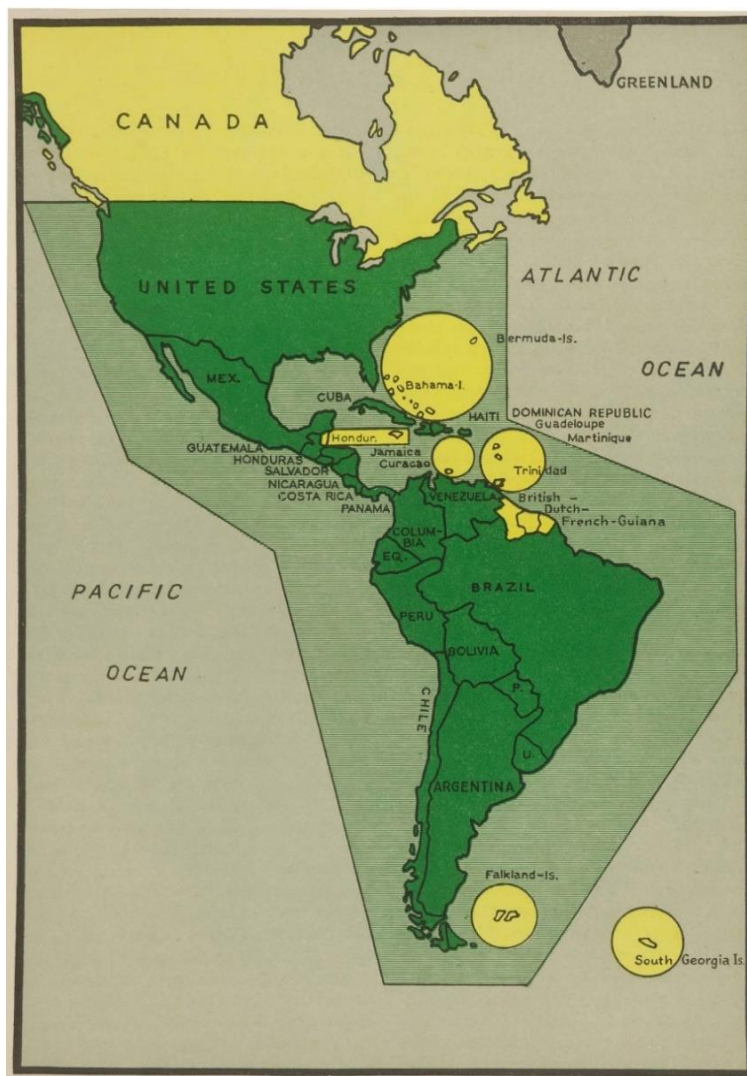
“Perpetual Union,” forged from the cauldron of the American Revolutionary War. It is difficult to envisage a European nation fully adopting the Work-Standard *and still be a member-state of the EU/NATO*.

European central governments lack the necessary political clout to fully adopt the Work-Standard. Most are still overdependent on the European Central Bank (ECB), which issues the Euro and oversees the Exchange Rate Mechanism (ERM II). The ERM II, meanwhile, is meant for member-states who have been allowed to continue issuing their own national currencies under the EU/NATO. Also, all national economies in the EU/NATO must conform to the EU policies which are geared toward Market/Mixed Economies in order to facilitate the Common Market as part of the EU/NATO’s status as an elaborate FTA. That issue also is related to the Schengen Agreement preventing the member-states from being able to control their own borders.

Therefore, if any European nation decides to leave the Eurozone and the Schengen Area, they will regain Sovereignty over its Financial Regime and can adopt the Work-Standard with the power to conduct its own Real Trade Agreements. Abandoning NATO will allow the European nation to regain Sovereignty over its Armed Forces.

The US is a different issue altogether due to its longer history and the opposing visions of America from Hamiltonianism and Jeffersonianism. The Federal Government, specifically Congress, has the power under the US Constitution to allow for the implementation of the Work-Standard. Unfortunately, there is no interest in Congress for anything as unconventional as the Work-Standard, given its Hamiltonian tendencies. The implications clash with the Jeffersonians and the Democratic-Republican Party; it matters very little if they are Democrats or Republicans.

US History has demonstrated that when the Hamiltonians in the Federalist Party were in power, they advocated for the centralization of the American Union. The need to turn the American Union into a Federalist American Union was as justifiable then as it is now; it was only the Jeffersonians who wanted the Union to create an Empire of Liberty and impose it on all of humanity. It was they who wanted the Union to leave Latin America weak, divided and



US Sphere of Influence in the Monroe Doctrine

dependent on the US. Alexander Hamilton rejected that fate for Latin America, an obscure historical footnote within American history. What Hamilton wanted for Latin America was a similar Union to call its own, which would have been the case if Simon Bolivar had realized it in the late 18th century. Another Union in the Americas has the potential for the continent to be able to sustain itself and act as an ally as well as a counterbalance for the US and anyone outside the Americas. The power struggles that Latin America waged against the US over the centuries in Cuba, Mexico, Venezuela, Brazil, Chile and Argentina are a reaction to the excesses of American

hegemony.

The question regarding Latin America from a Hamiltonian Federalist perspective has been about the issue of the “Monroe Doctrine,” which came into being in the presidency of Thomas Jefferson’s other protégé, James Monroe. Theodore Roosevelt could have rejected the Monroe Doctrine, but he insisted that he had to tolerate it out of geopolitical expedience when he added his own “Corollary” to the Monroe Doctrine. He argued that American hegemony in Latin America was necessary in order to prevent the European colonialists at the turn of the 20th century, who were then preparing for the later confrontation in World War I, from exerting their own hegemony in Latin America. It also was part of the same motivation behind Roosevelt justifying the consolidation of American economic power there through the construction of the Panama Canal. His cousin, Franklin Delano Roosevelt, was more interested in furthering the Empire of Liberty which Woodrow Wilson never succeeded when World War I.



Map of Panama Canal and surrounding geography.

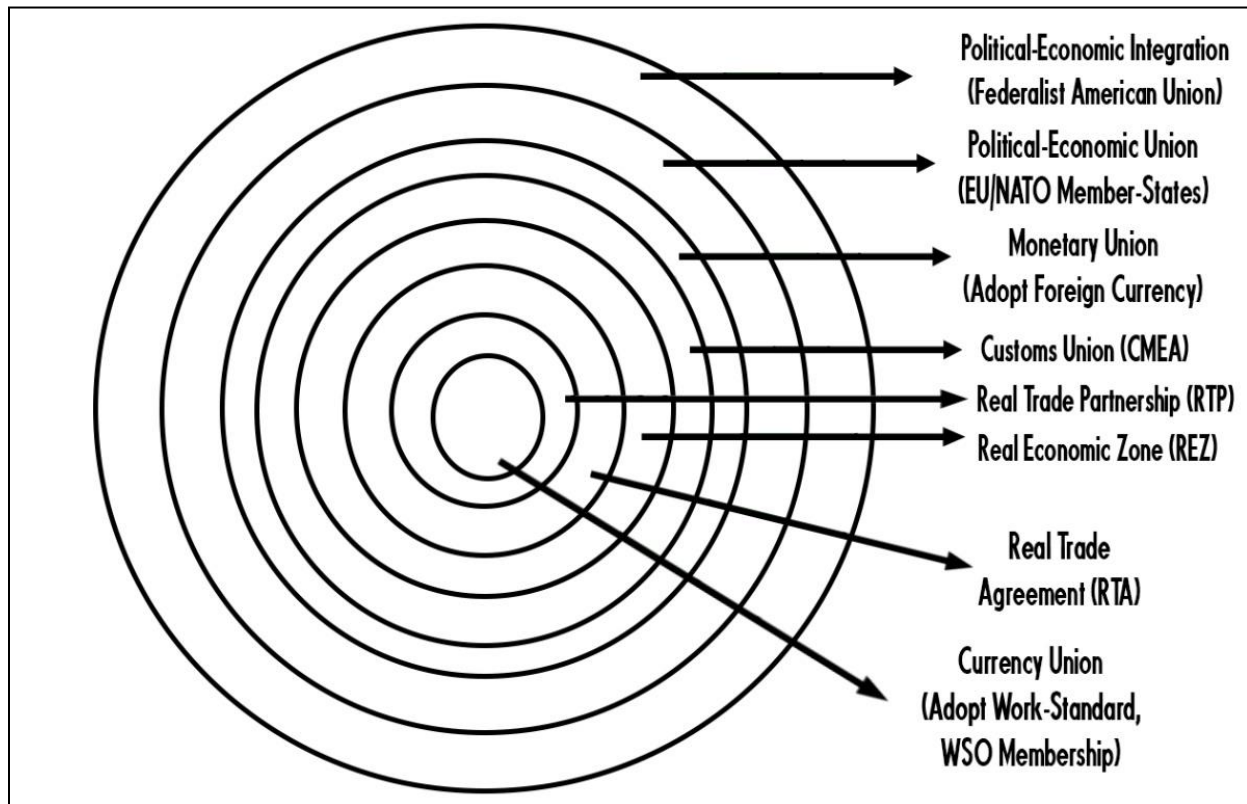
Even so, the Roosevelt Corollary still has the potential for the possibility of another doctrine favorable to Hamiltonian Federalism and all of Latin America in particular. The possibility is there for a new doctrine to serve as the antithesis to the Monroe Doctrine by having a Latin American Union of nations led by a powerful counterweight to the US. It is only appropriate for a “Bolivarian Federalist Socialism” to be that counterweight.

Any instability in one half of the Americas will eventually affect the other half because of the geography on this part of the world. It has always been the case, even in spite of the Monroe Doctrine and the realization of the Empire of Liberty in the 1945 and its later height of power in

1991. If the American people can give up Jeffersonianism and think more like a Hamiltonian, there will always be opportunities for them to help Latin America find the peace, stability and prosperity that they rightfully deserve. The US-Mexico Border can become just as peaceful as the US-Canada Border once the Americas have abandoned the Monroe Doctrine in favor of a different consensus.

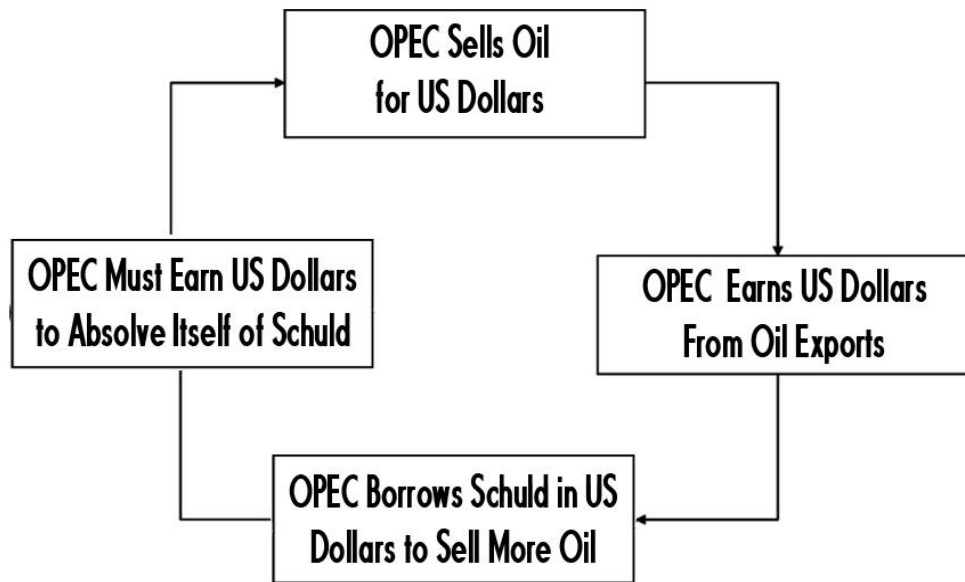
Furthermore, this Latin American Union will need to preserve the Sovereignities of Latin America's countries as a Federal Union of States, an alliance centered around the mutual interests of its own half of the Americas. That is what separates itself from these United States: the Totalities of Latin America have historically defined themselves as being separate independent nations. Meanwhile, if one was to envisage the breakup of the US, there would be a Pan-Americanism that will eventually develop and begin agitating for an eventual reestablishment of these United States because its dissolution was simply unjustified.

This brings us to the significance of the Socialist Nation and its own foreign policy stances on Currency Unions and Political-Economic Unions. Besides the Real Trade Agreement (RTA), Real Economic Zone (RTZ), and Real Trade Partnership (RTP), its Council State will find the former necessary and reject the latter. The Socialist Nation would only need to create a "Currency Union" of various Sociable Currencies to rally all friendly countries around the Work-Standard, this Currency Union determined to overcome the Post-Bretton Woods Debt-Standard and, Empire of Liberty, and the Death of Bretton Woods. It is an international system of alliances poised to further the Currency Union's eventual establishment of the World State Organization (WSO) and its own World Reserve Currency as part of a multipolar Socialist world order. The Socialist Nation shall refrain from establishing a Political-Economic Union because doing so risks compromising its own national sovereignty. The WSO on its own is not a Political-Economic Union.



Author's Onion Chart Diagram depicting the Levels of Political-Economic Integration.

Potential Feasibility of the Work-Standard as a World Reserve Currency



Author's Diagram of Petrodollar Recycling

Even though the Bretton Woods System is dead, the US Dollar still continues to be the “World Reserve Currency.” Everyone knows the Value of the US Dollar within Exchange Rates and everyone outside the Western world clamors for it during moments of economic turmoil. Just what is the significance behind the term “World Reserve Currency?” Is there a political-economic relationship to that financial concept? And why should anyone be concerned about the US Dollar someday losing that status? How is it related to “Petrodollar Recycling” and why is it strategically vital for the Socialist Nation to declare its independence from the Petrodollar?

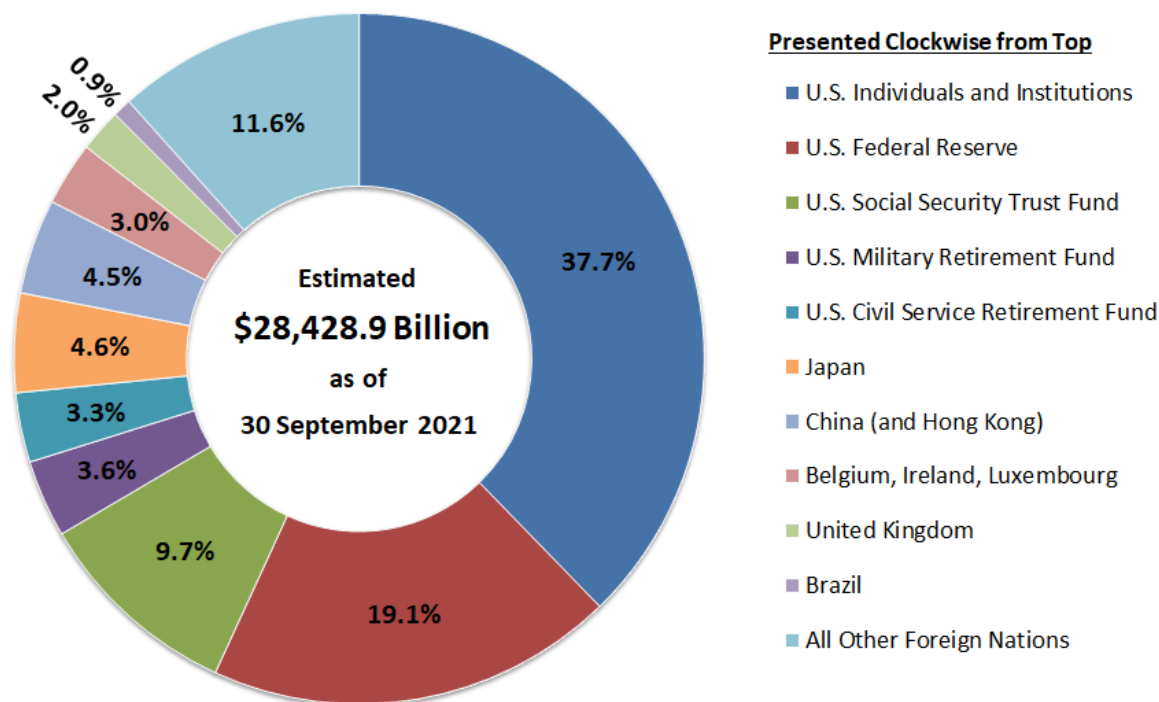
Whereas a “Hard Currency” refers to a commonly-traded Currency in the realm of international trade, a World Reserve Currency is any Hard Currency with the status of being the most commonly-traded Currency on Earth. Significant amounts are being kept by the Financial Regimes and financial institutions in other countries for investment, trade, transactions, and payments. The status is often conferred to any Currency whenever it constitutes the majority of all known foreign exchange reserves. The US Dollar is only able to achieve the global prestige it enjoys, long after the Death of Bretton Woods, due to the US economy as the largest on Earth and the ability of the Jeffersonians to play a predominant role in the world affairs of Thomas Jefferson’s Empire of Liberty, the Liberal International Economic Order (LIEO).

Depending on how one wishes to interpret it, there are seemingly limitless opportunities for large returns on Kapital and Schuld with a World Reserve Currency, except there is very little in the way of Arbeit and Geld. Even though there are Commodities denominated in US Dollars, of which Crude Oil is included in this analysis, the concept of a Petrodollar is not exactly dependent on Petroleum or even Crude Oil per se. In fact, assuming we were to eliminate the Western world’s overdependency on Petroleum, the Petrodollar has proven to be a sort of red herring for the Fractional-Reserve Banking System ultimately forcing the member-states of OPEC (Organization of Petroleum Exporting Countries) into an overdependence on exporting Petroleum. The Socialist Nation will realize this as soon as the State and Totality begins converting their carbon emissions into Zero-Carbon Synthetic Fuels, among other strategic Equipmentalities.

As long as a sizable portion of the Schuld created on Earth in the early 21st century remains denominated in US Dollars, the Jeffersonians will continue to constitute a financial hegemony over the foreign exchange reserves of whole nations. The obvious benefit is the ability to run ever-increasing amounts of Schuld vis-à-vis the US National Debt because the vast majority is being created in the US through the Borrowing and Lending of Kapital for Schuld with Interest. Most of the Schuld in the US National Debt can be traced back to the following sources:

- Issuances of US Treasury Securities such as Treasury Bills (T-Bills), Treasury Notes, Treasury Bonds (T-Bonds), Treasury Inflation Protected Securities (TIPS), Floating Rate Notes (FRNs), Series I Savings Bonds, and Series EE Savings Bonds.
- The Federal Reserve's Quantitative Easing (QE) and its ability to create new Kapital.
- Social Security Trust Fund, US Military Retirement Fund, and US Civil Service Retirement Fund, all of which are related to the Welfare Capitalism begun by the New Deal.
- LIEO-aligned countries in Latin America, Europe, Middle East, and Asia.
- Post-1945 Japan.
- Hong Kong and the People's Republic of China.

September 2021 (First Estimate): To Whom Does the U.S. Government Owe Money?

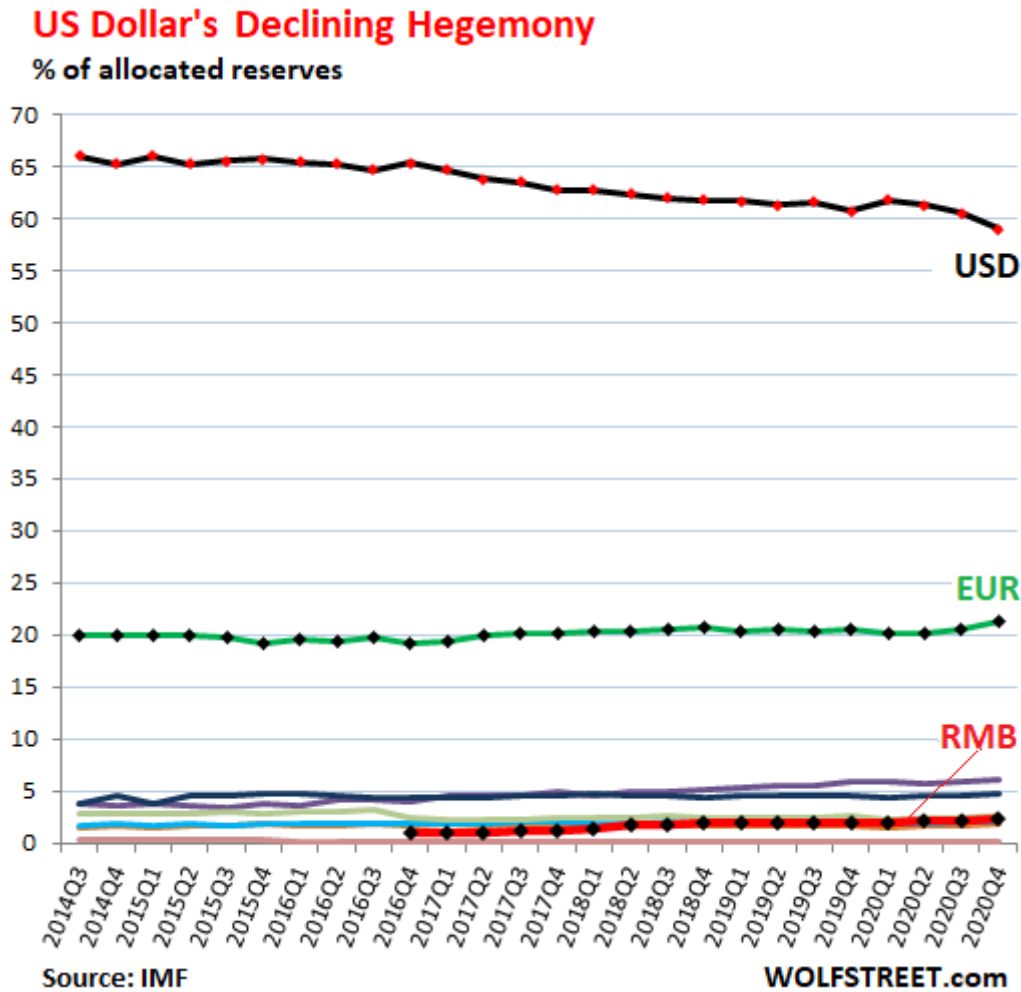


Sources: U.S. Treasury Department, U.S. Federal Reserve (29 September 2021)

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No World Reserve Currency lasts forever, and the same fate will befall the US Dollar someday. After all, the Currency that preceded the US Dollar was the British Pound Sterling in the 19th and early 20th centuries. Prior to the Pound Sterling, the Dutch Guilder upheld the status between the 17th and 18th centuries. No other known Currency in the world is going to supplant the US Dollar anytime soon. The closest ones are the Euro and Chinese Renminbi because of the

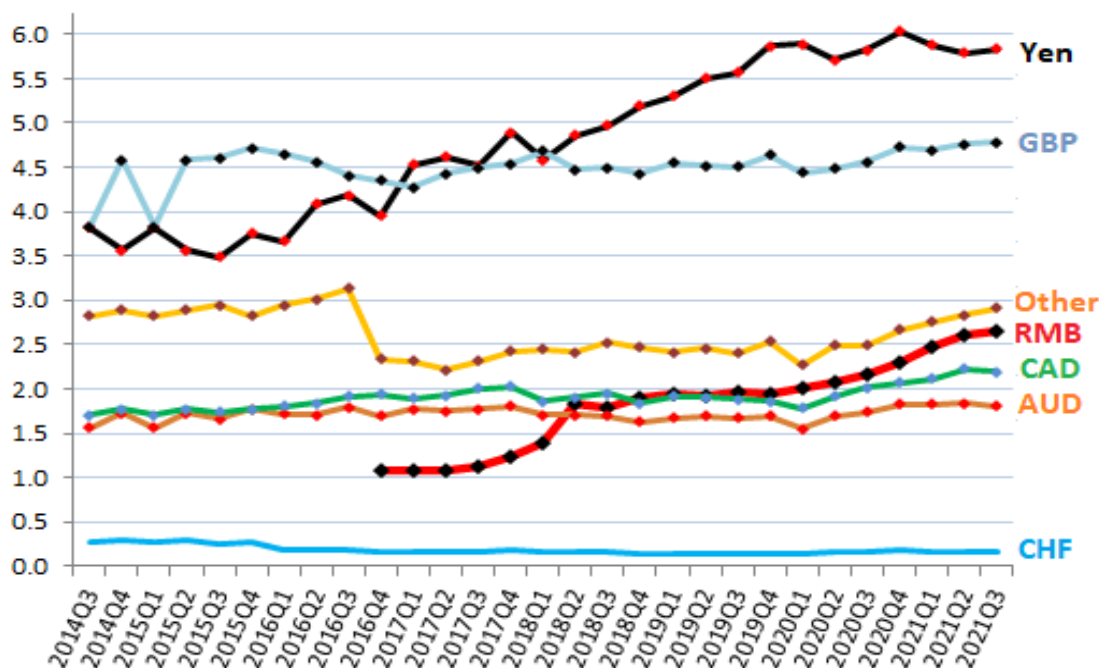
economic powerhouses of the EU and the PRC. But neither the Euro nor the Renminbi is in the best-possible position to become the next World Reserve Currency.



The EU's Euro is the second largest Currency in foreign exchange reserves. The EU is a political-economic union of Liberal Capitalist regimes in Europe. The stability of the EU rests on those them continuing to remain as its member-states. But as the Eurozone Crisis has demonstrated, the Euro cannot be expected to serve as a proper rival to the US Dollar. The same can be said for the growing Euroscepticism and calls for various member-states to abandon the EU in the wake of the 2016 Brexit Referendum. While it remains to be seen as to whether any other member-states are willing to leave the EU, it would be remiss to not realize just how fragile the EU truly is. If the Euro fails to keep the EU together, there is a chance that the EU will disintegrate. Thus, it becomes absolutely necessary for the European Central Bank to keep the Euro stable in order to deter member-states from leaving and reestablishing their former national currencies.

Reserve Currencies except USD and EUR

% of allocated reserves



Source: IMF

WOLFSTREET.com

The other potential Currency, the PRC's Renminbi, is still a very small fraction of the foreign exchange reserves outside Mainland China. There has been a lot of hype about the rise of the Renminbi by Liberal Capitalists. Despite the Renminbi being part of the Basket of Currencies backing the IMF's Special Drawing Rights (XDRs), the Currency has seen a slow, steady increase. The increase is nowhere as high as some would like to believe, especially when compared to the British Pound Sterling and the Japanese Yen. Those two Currencies, meanwhile, saw small increases in foreign exchange reserves between 2014 and 2021. Even so, the Renminbi, Euro and Yen are nowhere close to breaking the 20% threshold in foreign exchange reserves anytime soon.

The fact that no Currency in the world is capable of replacing the US Dollar is a consideration that the Socialist Nation must not ignore. For the US Dollar to lose its global hegemony over the world, the Socialist Nation must set an example for the rest of the world to follow, a different world order determined to challenge the LIEO. Here are the important factors which will be favorable to the financial offensives of the Socialist Nation:

- Multiple nations and investors alike must consensually decide that the US Dollar is not worthy of being worthwhile Store of Value and a reliable Unit of Account.
- The Federal Reserve has to be creating Schuld faster than what the US economy is capable of sustaining according to its GDP Rate.
- US Inflation Rate has to be rising higher than the usual 2%; a 20% or 200% increase is more than enough to depreciate the US Dollar.
- Additionally, the US economy's GDP Rate also has to be in decline to such an extent that the US is no longer the largest economy on Earth.
- There needs to be an alternative not relying on the Post-Bretton Woods Debt-Standard.

Most of the entries in the SMP Compendium have dealt with the Work-Standard from within the borders of a single Socialist Nation. The Socialist Nation described could be any nation claiming to be Socialistic. How its Pure Socialism was made into geopolitical reality is irrelevant; there really is no scientifically proven way of realizing Socialism and moving away from Liberal Capitalism. One has to remember that Liberal Capitalism is in final analysis an ideology that is a centuries-old product of the Enlightenment. And as an ideology, Liberal Capitalism is literature just like Marxism-Lutheranism; it too can become obsolete once it has finally been proven as impractical. Pure Socialism, meanwhile, is tailored to the ontology and phenomenology of the Totality that constitutes themselves as the Socialist Nation, which will continue to exist for as long as the Totality continues to exist as an identifiable group of people.

Concerns over how the Socialist Nation engages in international trade will always be a given and that may depend on whether the current world order, the Liberal International Economic Order (LIEO), continues or not. This will certainly be the case if these United States encounters more difficulties sustaining itself and its world order once the Coronavirus Pandemic ends. The world is waiting for the next phase of the 21st century. Therein lies the uncertainty, the anxiety which countless people in the Western world are fearful of. What will happen to the world when the LIEO dissolves? Can anyone seriously expect the People's Republic of China to take over?

As the LIEO crumbles from its own incompetence and delusions of grandeur, there will be a multipolar world order of competing nations and an ever-changing web of alliances. Some form of cooperation will be needed to overcome issues affecting all of humanity on Earth like Climate Change. Outside of any other planetary issues affecting all of humanity, anything goes so long as any alliance remains mutually beneficial to the national interests of its signatories. If the Socialist Nation of the Revolutionary Realm has been able to survive up to that point, it is now possible to envisage the State and Totality convincing the rest of humanity to adopt the Work-Standard.

In the early 21st century, the whole world is staring at an ever-growing abyss of Schuld, despite being flushed with Kapital. The world has been staring into that abyss since the Death of Bretton Woods. The Post-Bretton Woods Debt Standard is financial nihilism. Everybody still lives with the assumption that this void will always be a given because nobody knows what shall fill the void. What is truly scarce in the 21st century is not gold, silver, cryptocurrencies or semiconductors but Authentic Dasein; everyone gets to become anything they want to be except themselves. The demand for Dasein will climb in tandem with the concurring demand for Arbeit.

This current world order is ripe for change. Once the US Dollar ceases to be the World Reserve Currency, its ramifications are bound to cause a shakeup among the LIEO's institutions like UN, IMF, World Bank, the EU/NATO, OECD, OPEC and so forth. There is still that looming possibility where these institutions could become delegitimized and even forced to dissolve as the Western world experiences a veritable power vacuum. In the scramble to usher in a different world order, the Socialist Nation stands to benefit through the opportunity of creating the World State Organization (WSO) with the rest of the world.

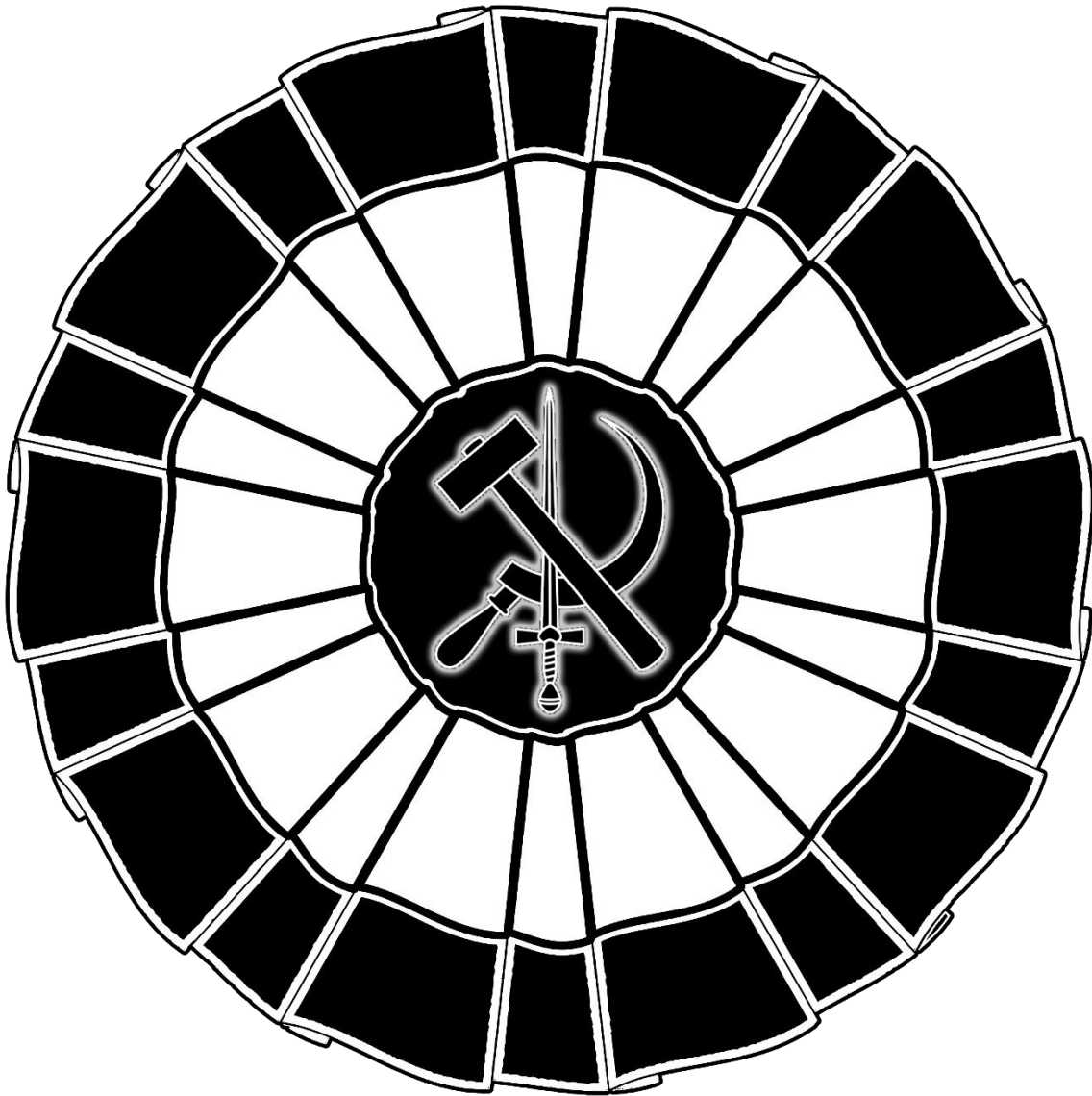
Every Totality from every nation shall have its own Socialism. Tradition, culture, social norms and customs, language and religion can all affect any nation's Socialism as much as how they interact with the dynamics of Arbeit and Geld. Council Democracy, the VCS Economy, State Commissariats and Kontore, NSFIs and Reciprocal-Reserve Banking, and all of the countless different amenities are quite flexible and can be remolded to address the needs of any nation. Given the predominant influence of Western Civilization, accommodations will be made and the diversity of different ways of economic life recognized, preserved and promoted under the Work-Standard.

What has already been discussed about the Work-Standard regarding the Socialist Nation is to be reapplied on a worldwide scale. Everything applies as they do, but with the involvement of the five most powerful nations. Power is to be measured in terms of political, economic, military-industrial, financial, spiritual and cultural powers. One of them includes the Socialist Nation, assuming it has achieved enough power and reputation to command the respect and prestige of other nations. Together with four other countries, as an official function at the WSO, the Socialist Nation shall introduce a World Reserve Currency pegged to their Hard Currencies. There is no genuine need for this World Reserve Currency to replace Foreign Currencies traded between different peoples; a Sociable Currency and two separate Foreign Exchange Certificates (FECs) are more than enough to suffice for their own Financial Regimes.

Furthermore, to accommodate this World Reserve Currency are two NSFIs, one for Arbeit and the other for Geld. The purpose of these two NSFIs will be to maintain sufficient reserves to address any issues affecting the planet. Denominated in this World Reserve Currency, they are to be owned solely by the States of various nations and can be converted into their Sociable Currencies. The arrangement remains valid until the dissolution of the WSO or there is a conflict pitting the five major powers against each other. Should the latter happen, it is also possible for five other neutral member-states to take over until the cessation of hostilities.

And just like the case of the Socialist Nation, Schuld must be kept to a minimum in the case of the WSO. As the infamous Versailles Treaty has demonstrated in the aftermath of World War I, nothing good ever comes out of war reparations. It forces the losers into developing a deep-seated sense of vengefulness to address what its Totality perceives as political injustices.

Section Seven: Work-Standard Applications of Technology



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Introduction to the Art of Technology



Friedrich Nietzsche's "Zarathustra," Vladimir Lenin

Another variation of the Political Organization Problem pertains to Technology affecting how various artforms are conducted and how people discuss and critique them. Life imitates art, it is often said, and the type of Total Mobilization being employed affects the artforms in themselves. Total Mobilization of Production for *Profit* focuses on what sells based on popularity according to the Incentives of Supply and Demand. Total Mobilization of Production for *Utility*, meanwhile, follows a similar set of parameters beyond yielding various subcultures and fandoms within a prevailing pop culture. Art itself is treated as ways for consumerist curators to comfortably visit museums to see works of art from centuries past and for less-than-voluntary almsgiving to the masses on the other as expressions of the Austrian School's conception of Marginal Utility. Ludwig von Mises and Friedrich von Hayek really did not care how abstract any work of art looks, preferring to focus more on how much it ought to become worth in Kapital, as has been the case in the recent subset of Cryptocurrencies known as "Non-Fungible Tokens" (NFTs).

What can be said about the Total Mobilization of Production for *Dasein* as far as the Work-Standard is concerned? Here, the term “Technology” refers to the conceptualization, design, implementation, creation, and applications of, but not limited to, various mechanical, analog and digital devices. Unlike Sciences like Chemistry or Physics, Technology is not an exact science any more than the fact that neither Economics nor “Political Science” are actual sciences. Political statecraft and economic governance are artforms with different ways of applying politics and economics into one’s personal life and in the everyday life of their nation. The same can be said for Technology: it too is an artform and there are plenty of ample opportunities to introduce different ways of applying them because every artform operates under the auspices of a specific art style. Art is neither an exact Science nor will any work of art be considered a ‘Commodity’, which is going to happen to art itself if the State of Total Mobilization is either “Production for Profit” or “Production for Utility.”

A Technology’s “art style” serves as a reflection of its identity. Not just the identity of its creator but also the culture, nationality, faith, tradition, philosophy, worldview, ancestral heritage and anthropological origins. These aspects of social life affect the way Technology is conceptualized, setting the conditions for why it was designed by its creator and why they chose a given art style. The history, social customs and norms behind the existence of Technology decide how it is applied and the context in which it is to be conducted. Each of these factors described here can stem from the political and economic life of the nation, their legal jurisprudence a historical record of why certain regulations, like the ones which emerged in the wake of the 1986 Chernobyl disaster or those post-9/11 TSA security pat-downs and screenings at American airports.

Everything depends on the people, the Totality, ultimately interacting with Technology and setting the terms in which it affects their everyday lives. Like any other form of art, the methods behind creating and interpreting Technology’s applications are open to discussion and critique from within their own framework. Any changes to how the artform is conducted affects the manner in which people interpret and discuss any work of art. A video game critic follows a similar set of parameters as that of a television or film critic while discussing about story direction and character development, diverging from the latter whenever they are talking about the gameplay itself and graphical performance of the game engine. Inversely, a film or television critic may not necessarily be the right person to critique any video game if they are unfamiliar with the inner-workings of the video gaming industry. The same can also be said for video game critics being incognizant in how to critique literary or culinary work of art; not everyone’s interests in literature or dining are going to be the same nor should they be the same for everyone.

The State of Total Mobilization tends to redefine older artforms, providing newer methods of expressing them within everyday contexts in contemporary life. Vladimir Lenin understood this significance when he had advocated for a “***Socialistic Heroic Realism***” during the early years of the Soviet Union. He wanted to portray the image of life under Socialism and the kind of behavior that is to be expected in the State of Total Mobilization. That was also part of the same Intent behind why the Soviets erected statues of Lenin throughout the Soviet Republics, reminding people about how the Soviet Union came into being and why they are part of that legacy. It bears a resemblance to the artistry that went into the stained-glass windows decorating the old Gothic cathedrals of Europe, reminding the peasantry about their peoples’ decisions to embrace the Catholic faith. The aims and their methods are different in both cases, but the Intent behind them is the same: *to artistically convey information in contexts where words alone do not suffice.*

Like Lenin, John Maynard Keynes was making similar arguments about Total Mobilization affecting art itself in Chapter 12 of *The General Theory of Employment, Interest, and Money*. A

“Keynesian Beauty Contest” does not only describe the inner-workings of liquidity at stock markets. It also describes the inner-workings of cosplay, a contemporary version of Western Culture’s “carnivals” and “masquerade balls,” at conventions like Comicon and Anime Expo. Investors contend with the Price of Kapital in the shares of privatized commercial firms shooting higher and higher to the point where the Speculation Bubble has yielded an “irrational exuberance.” Cosplayers contend with issues of sexual harassment, sexual assault, physical assault, and attempted murder to the point where the Commodity Fetishism has yielded a “[cosplay is not consent](#).” Our master of ceremonies for both was Milton Friedman with his Monetarism.

Nowhere is this contrast between Keynes and Lenin more apparent than a cross-examination between the inner-workings of the Japanese maid café and its Western equivalents and the Soviet rival, the *Stolovaya* (Cafeteria) and its Western equivalents. Both revolve around the concept of passionate women serving complete strangers, except both are conducting themselves under different conceptions of Total Mobilization as distinct Modes of Production. The woman at the maid café serves in an unofficial non-State function, her outward appearance more important than her devotion and passion for the service itself. The woman at the *Stolovaya* serves in an official state function, her devotion and passion of serving others more important than her outward appearance. The contrast is even more evident when one realizes how the maid café is constantly failing to sustain its own Dasein, from defaulting on rent and loan payments to the fact that the maid is not in it for Arbeit but for Kapital.



*The “Moe”-ness or “cuteness” of the Japanese Maid Café is the missing link to the Keynesian Beauty Contest for the Work-Standard. One may be inclined to imagine John Maynard Keynes visiting such a place to make a point about that concept from Chapter 12 of General Theory of Employment, Interest and Money as the whole experience rests on the woman’s appearance while cosplaying as the “maid.” The passage in question reads: **“It is not a case of choosing those [faces] which, to the best of one’s judgment, are really the prettiest, nor even those which average opinion genuinely thinks the prettiest. We have reached the third degree where we devote our intelligences to anticipating what average opinion expects the average opinion to be. And there are some, I believe, who practice the fourth, fifth and higher degrees.”***



The text for this 1948 Soviet poster about the Stolovaya reads: “We shall serve every visitor politely!” Here, the experience rests squarely on the food and the service. The woman’s looks are unimportant; her official status as a maid rests on conduct and performance. The worst that could happen at a Japanese Maid Café is sexual assault and unwanted sexual advances from stalkers after hours. Here, it is over whether the portions are large enough for everyone and none of the maids are absconding excess food for themselves. The Totality is encouraged to cringe at Japanese Maid Cafés for their Keynesian nature; here, they are always welcomed!

Technology under the Work-Standard has already given rise to the implications of investors finding new roles at the Kontore with its own distinct set of financial instruments, the rest as state commissars at the State Commissariats. A similar set of circumstances will no doubt be applicable for video game developers, gaming streamers and professional gamers and cosplayers, and everybody else who may be interested in Russian caviar, Prussian vodka, Socialist Heroic Realist art and Nietzschean piano music at a “Soviet maid café.” The Work-Standard itself shall see to it that the most Prussian or the most Bolshevik are separated from the petty amateurs and hobbyists among them, where “Fiscal Conservatism” in American politics becomes an extension of Hamiltonian Federal Socialism. The Quality of Arbeit may not be a lot, but it will be more than enough to let them enjoy doing what they love. Those who remain are the ones who shall give gaming and cosplaying proper places in the Socialist Nation as legitimate professions contributing Arbeit and generating Geld like everyone else.

Furthermore, there are plenty of other ways in which certain artforms take on different appearances vis-à-vis different Technologies. It can be argued that similar examples exist in military-industrial applications, in automotive and aeronautical design, everyday electronics, computer hardware and software programs, website platforms and others. Practically everything can be redesigned to accommodate the Mechanization Rate. Where there exists a Will-to-Power, the Work-Standard has ways for the Figure of the Arbeiter to engineer it for the Totality.

The Tactical Logic of Technology

The Art of Socialist Finance cannot be conveyed in a massive book of rules and regulations like a “~70,000-page Internal Revenue Service (IRS) Tax Code.” The styles which govern Socialist Finance are to be applied in accordance with present-day economic conditions in the Socialist Nation. Straightforward, honest actions achieving a well-understood Intent is sure to achieve the flourishing of the Totality’s well-being.

Like any Technology, the Art of Socialist Finance is subject to continual improvements within the framework of its own Artform, the Work-Standard. Socialist Financial Technologies (“*Socialist Fintech*”) require Socialist design philosophies and applications compatible with the Work-Standard. They need to be understood by the Totality and their performances evaluated by the State. Technologies known to help the Socialist Nation is to be deployed in the Vocational Civil Service (VCS) Economy, the Totality as the judge, jury, executioner.

The fate of the Socialist nation, whether it prospers or collapses, still depends on decisiveness of the Individual. Every Legal Right bestowed unto the Individual is tempered by a Legal Duty from the State, every Constitutional Obligation unto the Individual to be met with a Constitutional Intent from the State. An Individual’s performance in the VCS Economy rests on their upbringing, education, training and experience as a student in the secondary schools and universities of the Socialist Student Economy (SSE). Socialism requires them to think critically and creatively, apply training and expertise in practice, live with purpose and meaning, and demonstrate self-confidence, determination, selflessness and daring to overcome any situation.

Everything here applies both in the physical realm and in the digital realm. For the Self that is committed to their Vocation at the workspace, Technology intended for tactical deployments shall be designed specifically to enhance their Vocation and allow the State to create additional Vocations related to that profession. Important areas of interest under the Work-Standard must include but not limited to:

- Ways of increasing Work-Productivity (WP) and minimizing the Attrition Rate;
- Ways of decreasing Work-Intensity (WI) and warding off the Inaction Rate;
- Ways of sustaining Force Multipliers (FMs) like the 40-hour work week, minimizing the risks of work-related injuries and deaths, and expediting the production process without any alterations to the Central Bank’s Mechanization Rate;
- Ways of reducing waste and inefficiencies as well as curtailing excessive consumption and the risk of resource depletion and environmental degradation;
- Ways of increase the Economic Socialization (ES) and Solidarity Rate (SR) of individual Vocations within a given profession by providing potential opportunities to sustain the Price of goods and services being distributed at a consistent rate of production;
- And ways of contributing “Digital Arbeit” and generating “Digital Geld” on the International Internet of the WSO. There will be mechanisms designed to allow the vast electrical power consumptions of, say, a casino and hotel resort in Las Vegas or Atlantic City to be repurposed as a “Life-Energization Reciprocal Electrification (LERE) Refinery.”



LERE Process Designation for Cryptocurrency Blockchains

In the early 21st century, during the height of the Coronavirus Pandemic, there are “Cryptocurrencies,” “Non-Fungible Tokens” (NFTs), “data mining” (whether for Cryptocurrencies or mass surveillance), “eCommerce,” “Blockchains,” “Peer-to-Peer” (P2P) distribution systems, “digital streaming services,” “digital subscription-based services,” “rentable multiplayer online gaming servers and website domains,” “online gambling and betting markets,” “automated software executing trades on Financial Markets and placing orders on LCFIs (Liberal Capitalist Financial Instruments),” and a proposed ‘Digital Market/Mixed Economy’ called the ‘Internet-of-Things’ (IOT). Every example cited is embedded with some aspect of Liberal Capitalist ideology in its programming. The whole World Wide Web (WWW) exists as a planetary-wide Digital Market/Mixed Economy, an extension of its offline equivalents.

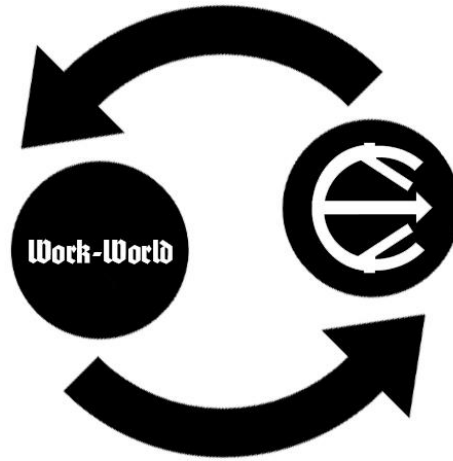
Whatever equivalents the Socialist Nation intends to implement must require their software programming to be operating under the Intents of Command and Obedience vis-à-vis the Arbeit and Geld of the Work-Standard. Remember, the digital realm serves only as an extension of the physical realm and never as a replacement for physical economic activities. This can be done without having the Central Bank raise the Mechanization Rate. The Totality of the Socialist nation will need to help the State restructure the “Information Sector” and “Government Sector” to accommodate them for the Work-Standard. The Intent here is to allow a State functionary from the Government Sector to oversee the contributions of “*Digital Arbeit*” and generations of “*Digital Geld*.” Unlike the physical equivalents which are capable of existing offline, “*Digital Arbeit*” and “*Digital Geld*” *cannot* be converted into physical ones by the Central Bank.



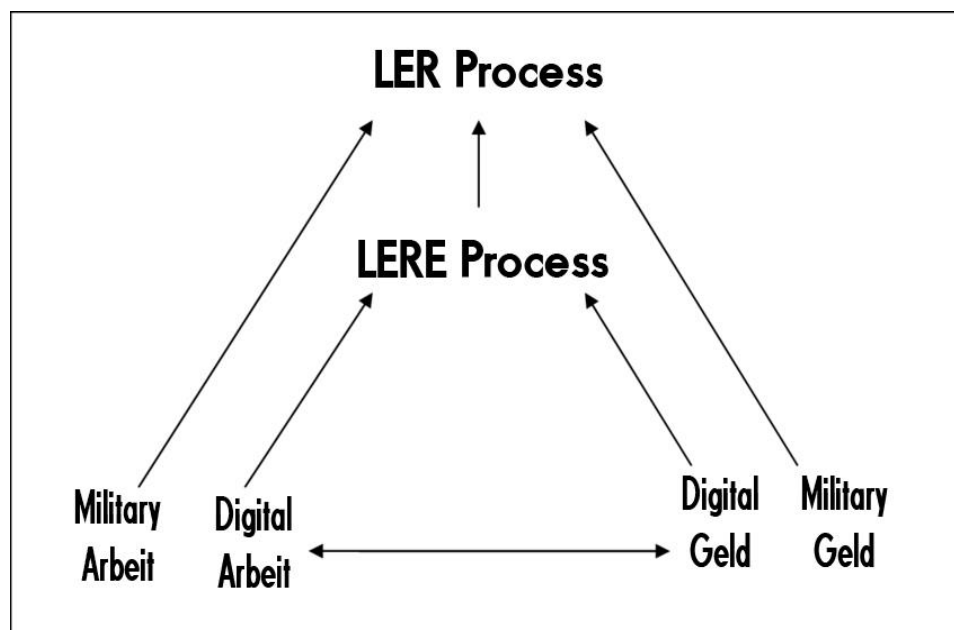
The Work-Standard's Blockcycle Symbol

This is not to suggest that “*Digital Arbeit*” cannot join the Life-Energy Reserve or that “*Digital Geld*” cannot count toward the State Budget and somebody’s weekly Paygrade. Computer scientists and software programmers will need to develop an entirely different Technology for the Work-Standard to operate within a national Intranet under the direct command of the State through SAEs (State-Administrated Enterprises). These SAEs exist offline, subordinate to the Ministry of

Science, whose goal is to run and maintain the digital infrastructure, act as the service provider, issuer of website domains, offer downloadable software, and facilitate digital mediums for the Totality to build their own websites and provide all the usual amenities found on the WWW.



Work-World Compatibility Designation Marker for Digital Arbeit



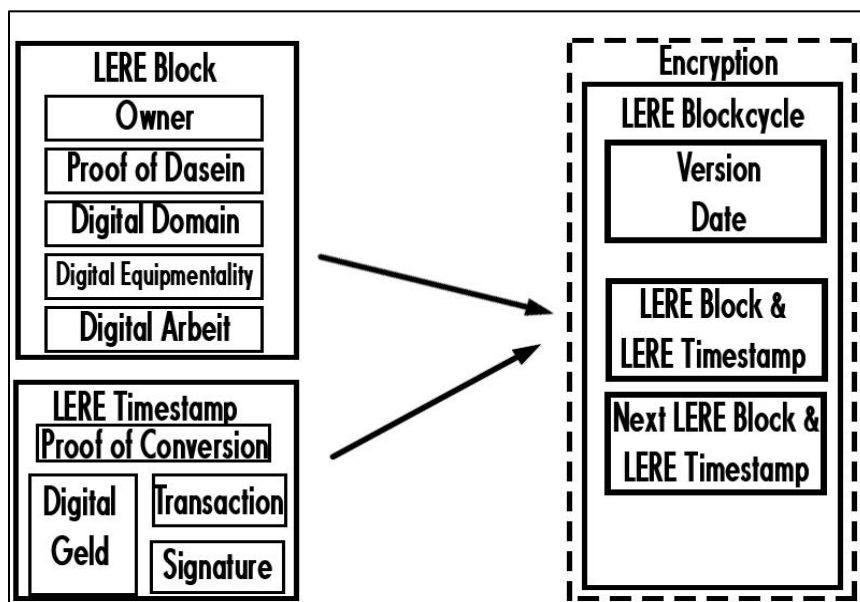
LERE Process Diagram

In this National Intranet, the Life-Energization Reciprocity (LER) Process that has been allowing Arbeit to be converted into Geld will be accommodated by "Life-Energization Reciprocal Electrification (LERE) Process." It is under LERE that anyone capable of contributing digital Arbeit can immediately convert them into digital Geld at an online banking service. This online banking service is connected to the LERE Refinery under the Ministry of Finance, its digital presence acting as a proxy server for the Central Bank. LERE Refineries transmute the Digital Arbeit and Digital Geld into Actual Arbeit and Actual Geld, allowing the LERE Process to finally converge on the LER Process at the Central Bank's Life-Energy Reserve.

The idea behind the LERE Process is to deter speculative attacks on the Central Bank, preventing computer malware and spyware, cybercrimes, cyberterrorism and cyberattacks from affecting the offline LER Process. To facilitate the LERE Process on behalf of the LER process, anyone with a Vocation involved in the Information Sector is to be issued a Four-Year or Five-Year Work-Plan from Office II of their regional Kontor, the hefty Service Fee to be reimbursed by the State. Included in this Work-Plan is a website domain connected to a digital communications service provider and is automatically renewed past the Work-Plan's maturity date. Once the State gives the Work-Plan to its recipient, the recipient will continue to be the owner of the website domain until they decide to sell it and allow the State to look after it until somebody else purchases it. A similar methodology is also being employed for the servers of online video games on behalf of gamers making Machinimas like those agitating against "Games as a Service." Even though the amounts of Digital Arbeit and Digital Geld may not be much, it will still be enough for individual gamers to run gaming servers on the side as a secondary Vocation to their daytime one.

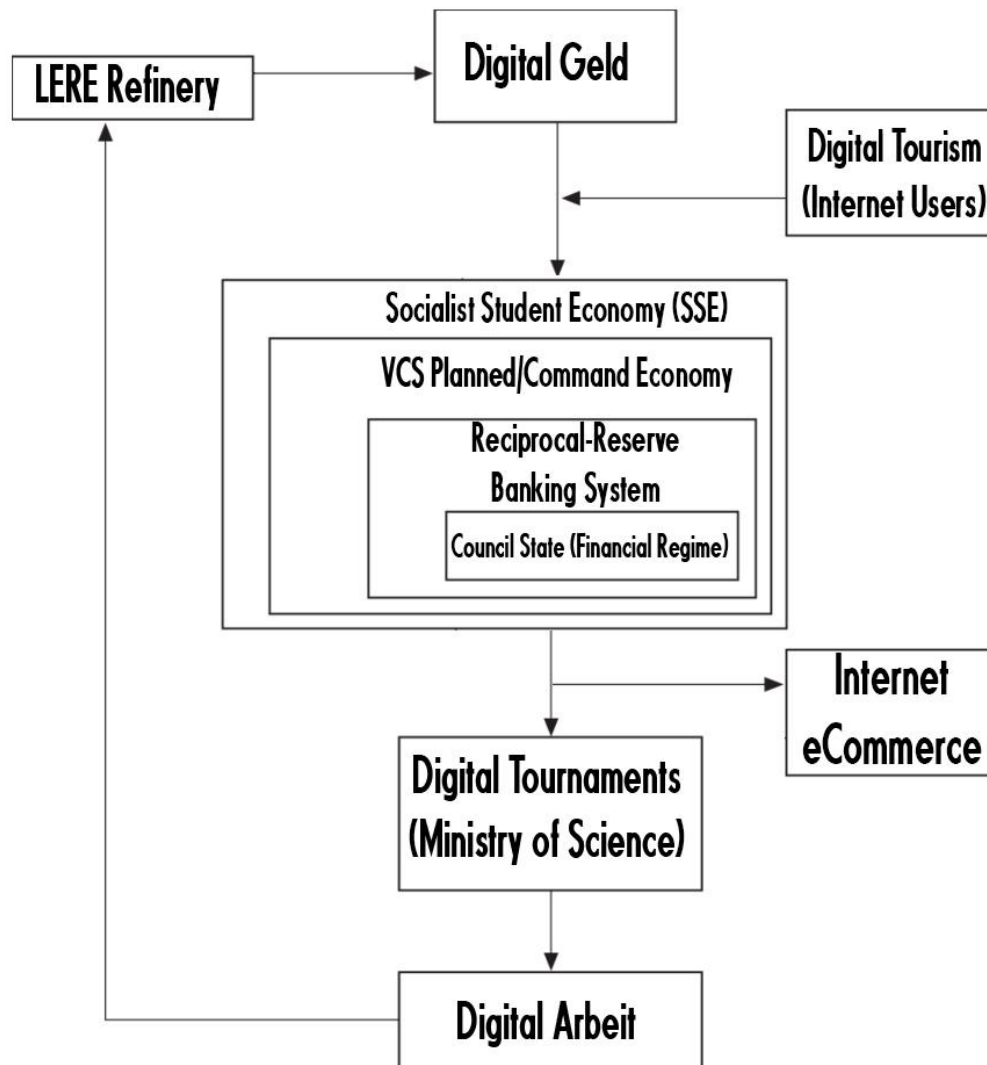
Once the LER process is brought online vis-à-vis the LERE process, the Socialist nation can now achieve economic growth from within its own national Intranet. The secret is the implementation of a special "Blockcycle" where the website contributes Arbeit by offering an online service. Any Vocation that engages in both offline *and* online services will receive a bonus Force Multiplier by 1.00 to account for the Blockcycle, which is a huge difference when one realizes that most Vocations in the VCS Economy generally have FMs ranging from 1.00 to 2.00.

The Blockcycle relies on a "LERE-Stamp" that indicates when and where digital Arbeit was contributed from the electrified commitments of Life-Energy, when and where the digital Geld was generated, and when and where they were both converted into physical Arbeit and physical Geld on behalf of the Central Bank. There is a digital ledger that is accessible to the Individuals involved (as the Self), the economic planners working under the service provider (as part of the Totality), and the Central Bank (as part of the State). This ledger operates on a centralized "STS (Self-Totality-State) Network" relying on the Work-Standard's Command-Obedience Account Bookkeeping instead of the Triple-Entry Account Bookkeeping found in the Blockchains of most Cryptocurrencies. The STS Network automatically registers the Quality of Arbeit (QW) and Quality of Geld (QM) of digital economic activities, allowing them to be counted toward RTEP (Real Total Economic Potential) and RTFP (Real Total Financial Potential).



(Left) Author's Diagram of the Blockcycle. Each Block in the Blockcycle contains the necessary components to digitize the LER Process vis-à-vis the LERE Process. It tells who created the Digital Arbeit and in the Digital Domain of a known Enterprise. An LERE Timestamp, issued at the LERE Refinery, provides the necessary information required to convert Digital Geld into Actual Geld.

Thus, the National Intranet has a ‘Digitized VCS Economy’ that interacts with the physical one and vice versa. There will be website platforms where people can buy and sell goods and services, wire Geld to different accounts, take out Work-Tenures from their local National-Socialized Bank (NSB) or invest in NSFIs (National-Socialized Financial Instruments) from their regional Kontor. Digital platforms related to video streaming, online multiplayer gaming, forums and chatrooms, blogs, social networking, and websites where can people upload, download and share digital media that they created as their own contributions of digital Arbeit and even sell them for digital Geld. Also connected to the national Intranet are the websites of educational institutions and the Socialist Student Economy (SSE) from the Ministry of Education. Any foreign Enterprises allowed to operate under the terms of a Real Trade Agreement (RTA) will be operating a national website registered with the host State as part of the RTA.



Author's Diagram of the digital infrastructure in the Socialist Nation. When put into practice, the Blockcycle will resemble something akin to a digitized railway system facilitating the movements of Digital Arbeit and Digital Geld from throughout the Socialist Nation to the LERE Refineries. The LERE Refineries convert the Digital Arbeit to Digital Geld, allowing the Blockcycle to eventually reach the Life-Energy Reserve, where it is converted again to Actual Geld.

If everything described there sounds familiar, that is because many of the characteristics found on the International Internet can also be recreated in the National Intranet with the Work-Standard. For those interested in accessing the International Internet, the Ministry of Science shall coordinate with the Ministries of Economics, Finance, Education, Transportation and Culture to allow entire groups of “digital citizens” from the Socialist nation to visit the International Internet. This can be done from inside a library, an “*Internet Café*,” at the computer lab of a school or university, inside one’s home, and even on a portable laptop and smartphone. All one needs to access the international Internet, besides an Internet connection or WIFI, is a digitized copy of their passport. Those interested in accessing the national Intranet of the Socialist Nation from abroad is a “*Digital Tourist*” that will need their passport and a travel visa.

Finally, on the topic of International Standardization Organization (ISO) protocol, what would the website domain for <https://www.fourthestatepolicy.com> be if was allowed to operate in the Socialist nation? The website will include “fourthestatepolicy,” a “.fae” to indicate its Hamiltonian Federalist Socialist status as being registered under an offline service provider operating as a “Federally-Administrated Enterprise,” the American equivalent to an SAE, and a “.us” to indicate that the website is operating from the United States. Therefore, it will read: “*fourthestatepolicy.fae.us*.” Such a website domain will never exist on the current World Wide Web; it will, however, exist in the Socialist world order’s international Internet. The name of this Socialist world order’s international Internet deserves to be called “Heliopolis,” and so this website domain can then be renamed as simply “*fourthestatepolicy.us*.”

The Operational Logic of Technology

Previously, we explored the various possibilities where such technologies can be employed on a tactical level. Here, we will be exploring those same technologies at an operational level. The Art of Socialist Finance requires its own Socialist Fintech in the Total Mobilization of Production for *Dasein*. Any Socialist conception of Fintech entails applications where accommodations are made for automated software and hardware to be more attuned to the Work-Standard. The most obvious example worthy of mention in this SMP Compendium entry is a way for the Central Bank's Mechanization Rate to reflect the extent to which automated technologies are employed in the VCS Economy. While the Mechanization Rate operates at a strategic level, its overall practicality is heavily dependent on what is happening on an operational level.

The goal of developing operational level technologies under the Work-Standard is to ensure that every technological application is about as reliable as the person employing them on a tactical level. It needs to be designed in such a manner where economic growth allows the Mechanization Rate to gradually fall in real time, compelling the Central Bank to signal the VCS Economy that the Mechanization Rate has fallen. For instance, if the economic growth hovers at 4% and the Mechanization Rate begins falling from 8.70% in March to 8.40% by April, the bankers in command of the Reciprocal-Reserve Banking System need to be informed of this by the Central Planners, the State Commissariats, and all of their subordinate Inspectors, Accountants, Economic Planners. It only takes a small sticky note attached to a financial ledger from one of the Economic Planners before depositing it at the State Banks by the end of workweek. That will be the Central Bank's chance to return the Mechanization Rate back to 8.70% once May 1 arrives.

If the Central Bank decides that it is necessary to raise or lower the Mechanization Rate, its decisions will be communicated to the Reciprocal-Reserve Banking System, the State, and the VCS Economy "*Ahead of Zeit*." The Intent is to give the Socialist nation a limited window of opportunity to decide what will become automated. The State Commissariats of Wages and Prices must coordinate their activities with the economic planners to oversee the Mobilization or Demobilization of the affected personnel. The State Commissars shall see to it that anyone who does not already have a secondary skillset and has been affected by the changes in the Mechanization Rate will be issued a refinanced Four-Year or Five-Year Work-Plan from Office II of the Kontore, its Service Fees to be reimbursed by the State. The Central Bank will also need to be made aware of these decisions as soon as they had been executed within the allotted Zeit.

Other possibilities exist for operational technologies under the Work-Standard. Another example includes the ability for the State to facilitate the creation of entirely new Professions and Enterprises for the VCS Economy. The applications include, but not limited to:

- Ways for entire Professions and Enterprises from different Industries to achieve a higher Quality of Arbeit with a lower Quality of Geld;
- Ways for those same Professions and Enterprises to reduce their upkeep and maintenance costs as well as minimize the risk of environmental degradation and resource depletion;
- Ways of curtailing the Attrition Rate and warding off the Inaction Rate among Professions and Enterprises, including simulated projections of what would happen if Attrition Rate gets too high;
- Ways forestablishing efficient, secure and cost-effective communications systems to better coordinate the activities of economic planners, bankers, state commissars and investors with the State and the VCS Economy;

- Ways of implementing and installing cyberdefense systems against malware, spyware, cybercrimes, cyberterrorism and cyberattacks for the National Intranet;
- Ways of implementing and installing firewalls and authentication software designed to keep out unwanted guests and to facilitate the movement of encrypted information across different data networks within the National Intranet. Similar software for decrypting incoming information will also be needed for those receiving them;
- Ways for Central Planners to expand their *Auftragstaktik* (Mission-Type Tactics) capabilities under the Work-Standard's MTEP (Mission-Type Economic Planning), allowing all teams of economic planners maintain the Intents of Command and Obedience and realize the *Schwerpunkt* (Focal Point) of all economic and financial activities both domestically and internationally;
- And ways for the whole Socialist Nation to coordinate MTEP with automated computer software, the software designed to eliminate confusion and any duplication of efforts by human error and miscommunications that would undermine Command and Obedience.

A number of recent technologies since the late 1990s have existed or currently exist as Liberal Capitalist applications of Fintech. However, their practicality and feasibility under the Liberal Capitalist conceptions of finance, Kapital and Schuld, have never been fully realized. The technologies that I will be discussing here are those which have only been applicable to the Total Mobilization of Production for *Profit* or Production for *Utility*, but never Production for *Dasein* until now. With Heideggerian Reference and Relevance, most can be Repurposed under the Work-Standard through an appropriate equivalent. The core fundamentals regarding the Work-Standard have already been laid out in earlier entries in the SMP Compendium. Everything now depends on whether every Technology conforms to the Authentic Dasein of the Socialist Nation.

The "Policy Analysis Market" (PAM) was a proposed futures market developed by the US Department of Defense (DOD) during the reign of the late Donald Rumsfeld, an old guard of the Nixon presidency. The purpose behind PAM in its Liberal Capitalist conception, had it been implemented, was to provide DOD with a way of analyzing the probability of certain developments unfolding in the Middle East, which could have ranged from the likelihood of the Ayatollah's Iran developing "an Islamic Google Earth" to whether post-Soviet Russia would intervene in a then-hypothetical Syrian Civil War. The problem with PAM was that it still operated as a financial market where the investors are technically investing Kapital into the probability of assassinations, terrorist attacks, coup d'états and civil wars. It does warrant ethical concerns about whether the investors themselves would carry them out to earn Kapital from those events being made a reality.

The Work-Standard's equivalent to PAM is Office VI of the *Kontor* (Financial Office), "Priority Requisition." A Kontor's Office VI employs NSFIs (National-Socialized Financial Instruments) designed to be carried by personnel or by automation "Ahead of Zeit" (prior to issuance), "Within Zeit" (upon issuance), "Against Zeit" (expedited issuance), and "Without Zeit" (emergency issuance). Service Fees increase exponentially from Ahead of Zeit to Without Zeit. Scientists, engineers and researchers are carrying out experiments and designing proof of concepts. Technical patents registered and prototypes preparing to enter production. There are people committed to Vocations on the National Intranet that would like to realize their own personal technological innovations but lack the proper funding from the State or because the NSBs (National-Socialized Banks) are uninterested in offering them any Work-Tenures. Meanwhile, the Socialist Nation's SSE and the Armed Forces are both interested in purchasing special NSFIs related to the production of specific components, software, hardware, and other special orders for whatever is not already on the shelves of the VCS Economy. Then there are those looking to

finance unconventional proposals with lots of Geld and more than willing to contribute Arbeit as part of their Vocations, except their efforts are too short-term and limited for Work-Plans.

Office VI will need software to make statistical predictions on the likelihood on whether any of those potential investors (students, military quartermasters and logisticians, analysts and researchers, scientists and engineers) are worthy of being paid Geld for their Quality of Arbeit. It is possible for certain technological innovations to remain as conceptual ideas on a drawing board and technical flaws rendering others impractical for any large-scale production by the VCS Economy. All of that can be done with the right set of technologies wielded by Office VI.

Next, “Non-Fungible Tokens” (NFTs) are a subset of the Ethereum Cryptocurrency. The idea behind them is to turn digital data online into Commodities to be bought and sold like physical ones. There have been cases of academic literature, artwork, photographs and films being converted into Commodities vis-à-vis the NFTs’ Blockchain. The problem with NFTs is that they are relying on ideas conceptualized by Friedrich von Hayek, who was already anticipating the possibility of such technologies as far back as when he and Ludwig von Mises were arguing in favor of the Economic Calculation Problem. The very concept of Cryptocurrencies themselves are dependent on von Hayek’s ideas in his 1976 book, *The Denationalisation of Money*.

The proper alternative to NFTs and their Blockchain is to implement the digitized version of the Work-Standard’s Equipmentalities by means of the “*Blockcycle*.” The Blockcycle of those “Digital Equipmentalities” are dependent on the LERE (Life-Energization Reciprocal Electrification) Process where any creation of Digital Arbeit for Digital Geld online can be immediately converted into Actual Arbeit for Physical Geld at the LERE Refinery under the auspices of the Ministry of Finance. Anyone who does a secondary Vocation on the side like photography, graphic arts, academic journals, and filmmaking are applicable to this case. ‘Group B’ of Office III at a Kontor is capable of processing those Digital Equipmentalities.

There is the limited “Desert Bar” from the Hershey’s Company, a chocolate bar developed for DOD in small quantities during the Persian Gulf War. Most of them never reached US personnel due to the short duration of that conflict. The Desert Bar is a small chocolate bar designed to withstand high temperatures and can be repurposed as a chocolate fudge bar. Its Socialist equivalent is a chocolate bar capable of being baked into a slice of chocolate cake when exposed to high temperatures during the summer months as a cost-effective camping and survival dessert. Similar dessert items can also be manufactured for the winter months.

There is that one-time “Big Mac dispenser” that McDonald’s unveiled in Boston as a marketing stunt in 2017. The Big Macs were prepared on-site and stored inside a dispenser for ease of convenience. The machine itself is designed to dispense Big Macs in exchange for a Twitter handle to send an automated advertisement. Meanwhile, the Socialist equivalent is an automated dispenser accepting both Actual Geld and Digital Geld on a Smartphone app or the official website, where the order gets sent to a chosen location. Somebody receives that order, prepares the meal, and stores everything inside a specially designed Automat that keeps the meal warm until the customer arrives. Alternatively, for contexts where drive-through options are unavailable, the restaurant may deploy a Miniature Automated Tractor Vehicle (MATV) to drive into the streets, obeying all traffic rules and delivering the meal to the customer with laser-guided precision.

Speaking of laser-guided precision, there really is no point for self-driving cars and delivery trucks when it makes far greater sense for certain Enterprises within the VCS Economy to field platoons of MATVs led by a superior commander, the MARV (Miniature Automated Repair Vehicle). While MATVs are deployed for carrying out repetitive tasks, MARVs are programmed to relay commands to MATVs and can provide general repairs and maintenance if

personnel are absent. Unlike a self-driving car or truck, MATVs and MARVs can specifically designed to operate inside the narrow hallways of buildings, ride a service elevator to the upper floors of skyscrapers, help janitors and housekeepers, repair and restock vending machines.

For those ordering goods from online eCommerce websites, an aerial equivalent called the C-Wing (Civilian Aerodyne Wing) is able to store packages inside of its fuselage or carried with a servo-mounted winch, can achieve either STOL (Short Takeoff and Landing) or VTOL (Vertical Takeoff and Landing) capabilities from a parking lot, and deliver the package at a laser-guided drop zone. A C-Wing, whether it is a plane or helicopter, is small enough to navigate metropolitan areas while being remote-piloted by somebody or else automated from a control room. It may not fully eradicate the State's postal service, but it will help the postal service with any large influx of online orders and offline mail. The conceptual basis for MATVs, MARVs and C-Wings have already been developed by the Soviet Union, German Reich, and United States during the 20th century, the possibilities of which are slowly becoming actualities in the early 21st century.

And for those concerned about Climate Change or Peak Oil and for those interested in how the Socialist Nation achieves Autarky without dependency on drilling or fracking crude oil for Petroleum, there are ways of sustaining the energy needs of the Totality vis-à-vis the Work-Standard and Office VI of the Kontore. The past two decades alone has witnessed various scattered, unfocused developments of alternative synthetic fuels that do not involve the old Fischer-Tropisch Method of creating synthetic fuel from coal. So far, nothing was fully realized on a grand scale under Liberal Capitalism because there were not enough Incentives under Supply and Demand. The Marginal Cost was too high and the return in investments too low for Kapital. The Liberal Capitalists, meanwhile, are determined to perpetuate the Urban-Rural Divide for whole countries by creating this unnecessary emphasis on Electric Vehicles and Biofuels.

The Socialist Nation is determined to develop Zero-Carbon Synthetic Fuel because it finds so much potential being left to waste in terms of research and development. The success of Zero-Carbon Synthetic Fuel creating its own Gasoline and Diesel will allow the Socialist Nation to eventually decentralize the Manufacturing Sector enough to accommodate "**3D Printing**." Moreover, the Socialist Nation will also be able to truly declare its own independence from the Petrodollar by allowing the Socialist Student Economy, the VCS Economy, the Reciprocal-Reserve Banking System, the Council State, the National Intranet and its Military-Industrial Complex will be able to bolster their own contributions to the Life-Energy Reserve. By converting all Carbon Dioxide (CO₂) emissions into abundant sources of Gasoline and Diesel, the Autarky of the Socialist Nation can then be achieved gradually over a long-term period to include other applications like plastics and synthetic rubber. Everything hinges on finding ways of lowering costs and increasing efficiency of that production process, allowing for greater synthetic fuel production at a fraction of the required electrical power.

Total Mobilization is alive and well. The 20th century has had no bearing on it except for the Death of Bretton Woods leading to a financial nihilism where Fiat Currencies are pegged to the Schuld (Debt/Guilt) of the Debt-Standard. What is not being taken seriously and should be discussed in relation to the Political Organization Problem is the emerging conceptualization of "Financial Warfare" after the Great Recession.

The Strategic Logic of Technology

As we ascend the command structure of the Socialist Nation, everything becomes more generalized and more broadly defined upon arriving at the Council State itself. What keeps the Council State cognizant of what is occurring in the nation and abroad is the Intents of Command and Obedience. Direct Orders are issued with the Constitution and the Legal Code serving as the two primary modes of communications for the rest of the Socialist Nation. The Constitution conveys the Intents and Obligations, whereas the Legal Code conveys the Duties and Rights.

Any technologies deployed at the behest of the State are designed specifically for administrative functions. Those intended for the SSE are related to the educational curriculum. Meanwhile, those intended for the military, law enforcement and intelligence services. Technologies intended for combating any internal enemies shall be designed in such a way that they do not infringe on the Legal Code and the Constitution. Neither the State nor the Totality are above the law, and both are called to uphold the rule of law to maintain the Intents of Command and Obedience. This does not just apply to the physical realm but also the digital one, which is still an extension of the former.

Technology at the strategic level is intended to lead the economic and financial activities of the operational level as part of its coordination of all tactical level activities. What happens at the bottom of the chain of command is to be understood with the Intent of the superiors. Whatever happens at the top of the chain of command needs to be properly conveyed to the subordinates. And all Direct Orders are to be understood by their Explicit Intent or Implicit Intents.

For the Work-Standard, such technologies are to be designed in such a manner that the State can prop up the creation of new Industries and Sectors for the VCS Economy. They must allow the State to serve the Totality under the Constitution and Legal Code and, at the same time, ensure that the Totality will be able to return the favor. Examples include, but are not limited to:

- Ways of enhancing the efficiency of Real Trade Agreements (RTAs), with a particular emphasis on the contributions of Arbeit and generation of Geld by Enterprises operating in Liberal Capitalist regimes as well as minimizing the effects of Economic Foreignization.
- Ways of investigating, researching, developing, and manufacturing strategic resources in preparation for when the Socialist nation loses access to them. This will also entail the State financing the development of new Industries devoted to production of synthetic materials.
- Ways of keeping the Attrition/Inaction Rate within a $\pm 3\%$ threshold.
- Ways of increasing the Quality of Arbeit and decreasing the Quality of Geld among entire Industries and Sectors within the VCS Economy.
- Ways of boosting the Real Total Economic Potential (RTEP) and Real Total Financial Potential (RTFP), including the developments of newer and more refined techniques related to NSFIs (National-Socialized Financial Instruments), State Investments and Economic Foreignization.
- Ways for the Central Bank and VCS Economy to defend the Mechanization Rate, the Reciprocal-Reserve Banking System and its Life-Energy Reserve against hostile cyberattacks from within the National Intranet as part of national defense policies.
- Ways of developing vast digital defensive networks around State Commissariats, the Kontore, National-Socialized Banks (NSBs), State Banks, and the State for the transmitting of Digital Arbeit, Digital Geld and Information across international borders. Every data network needs to be reinforced by a twin-layer digital perimeter with information routes

going through digital border checkpoints and a well-fortified firewall where the Information, along with the identities of its sender and receiver, is encrypted. A long-term ambition for the Socialist Nation involves connecting its National Intranet to an entirely different international Internet, Heliopolis, a more centralized, well-organized alternative to the World Wide Web and to be governed by the World State Organization (WSO);

- And ways for the State's Financial Regime, its Socialist Student Economy (SSE), military, law enforcement and intelligence services to prepare for the emergence of Financial Warfare waged against the Socialist Nation by all hostile forces, both online and offline.

A new kind of warfare is developing in the 21st century as an outgrowth of various 20th century military doctrines. It has only reached its infancy during the height of the Great Recession in 2008 and will be expected to gradually develop over the course of the 21st century into something far greater. "Financial Warfare" is a relatively new concept that has yet to be elevated beyond rhetorical buzzword and taken seriously in Military Science. The Work-Standard is more than capable of conceptualizing Financial Warfare as a combination of Political Warfare, Psychological Warfare, Electronic Warfare, Information Warfare, Attrition Warfare, Economic Warfare and Cyberwarfare. The implications were already there in the context of the Political Organization Problem; *never* will they be apparent in the 'Economic Calculation Problem'.

As of late, Financial Warfare strategies employed since the Great Recession are waged with Kapital and Schuld. There are about four different ways a Liberal Capitalist Financial Regime engages the Socialist nation in financial combat: *raising or cutting Taxation Rates*; *Borrowing and Lending Kapital at low Interest Rates*; *printing more Kapital through methods like Quantitative Easing (QE)*; and *issuing government bonds as an LCFI (Liberal Capitalist Financial Instrument)*. Each method corresponds to an aspect of Keynesianism, Monetarism, and the Austrian School of Economies. There are only 'Six Alls' within the Total Mobilization of Production for *Profit/Utility*: Keynesians invest all Kapital and spend all Kapital; Monetarists lend all Kapital and borrow all Kapital; and Austrians earn all Kapital and save all Kapital.

Liberal Capitalists, whether they know it or not, whether they like it or not, have found themselves in a bind. Low economic growth and low birthrates, Interest Rates at 0% or in Negative Interest, excessive spending and taxation, out of control Schuld Accumulation commensurate with Kapital Accumulation, and Financial Markets with Kapital pegged to personal opinions divorced from economic realities. Complicating everything for the Liberal Capitalists include the Coronavirus Pandemic, Climate Change, Imbalances of Trades and Payments, demographic aging and mass migrations from developing countries, political factional infighting and disruptive populists, and the emergence of automated technologies. Their propaganda denies the fact that Kapital has grown increasingly abstract since the Death of Bretton Woods. Only more of the same proposals continue to be espoused with very little room left for combining innovation and tradition. Economic Nationalists and Democratic Socialists have yet to realize that they do in fact share common interests, even if there is only a steady trickle of anecdotal evidence nowadays.

The following pertains to the various Financial Warfare strategies that have been employed since the Great Recession. Note that everything described below relied on Kapital and Schuld:

- "Currency Wars" are waged by nations determined to engage in an arms race for the most competitive Currency. The Central Banks of opposing nations devalue their Currencies, allowing them to achieve cheaper exports and more expensive imports. The Intent is to deliberately create Currency Depreciation for achieving a competitive Currency vis-à-vis foreign exchange rates, thereby ensuring Balances of Trades and Payments in this way.

- “Gold Repatriation” is not to be seen as a sign of a return to the Gold Standard but its antithesis. The Gold Standard, as it was conceived in the Bretton Woods Conference, has been dead since 1973. Even so, the US Dollar remains as the World Reserve Currency and Bretton Woods-era organizations like the IMF (International Monetary Fund) and World Bank are still around. Post-Soviet Russia, Mainland China, India and Turkey have hoarded huge stockpiles of Gold for themselves to circumvent the US Dollar hegemony, spending their US Dollars on the purchases of Gold. Such purchases by their central banks demonstrate the correlation between Kapital and Schuld, in addition to their willingness to tolerate higher rates of Currency Depreciation and Inflation.
- “Digital Currencies” are also being introduced by central banks to combat the rise of Cryptocurrencies. This is being done to help their government reassert national sovereignty within the digital realm as evidenced by the current digital infrastructure of Russia and China. It even ties in with the pursuit of alternative payment systems to bypass economic sanctions and the freezing of their finances by the Liberal Capitalists.
- “Flash Crashing” refers to a type of High-Frequency Trading (HFT) software deployed in 2010 by Navinder Singh Sarao, a computer hacker in England. Sarao allegedly created the software to cause a short-term crash in Prices at the financial markets. The software was deployed on 6 May 2010 for approximately thirty-six minutes, the damage only temporary as the Financial Markets later rebounded that same day. Although very amateurish and petty, the possibilities are there for far more sophisticated and lethal variants.
- “Speculative Attacks” are the massively sudden selling of a Currency by speculators. The Intent is not always malicious; a psychological manipulation of foreign investors in response to a perceived crisis, whether real or imaginary, is more than enough.
- “Systemic Risks” and “Financial Contagions” exploit the interconnectedness of the world order by dint of the fact that everything depends on a few organizational entities. The moment something wrong happens to a large bank is the opportunity for its woes to spread elsewhere. Such a financial crisis is made possible by Globalization and the ability of foreigners to borrow loans from foreign banks like in the Subprime Mortgage Crisis.
- “Self-Fulfilling Crisis” occurs when a financial crisis happens not from economic downturn or bad governmental policy, but because the Financial Markets are terrorized by their own self-induced pessimism. The opposite of this is an “Irrational Exuberance,” which leads to the creation of Economic Bubbles as its own financial crisis.

While no central bank as of late has considered adopting the Work-Standard, that may change as the preceding strategies either become increasingly impractical or else altered by the interplay between Arbeit and Geld. One must realize that the problems which allowed the Financial Markets to experience the Great Depression are still alive and well. Very little has changed since then. What has changed, however, are the technologies and their potential for catastrophic levels of damage. The only thing keeping the Financial Markets afloat, besides the ability of their Parliamentary Democracies to sustain them with more Kapital and Schuld, is the overall opinion shared among its investors.

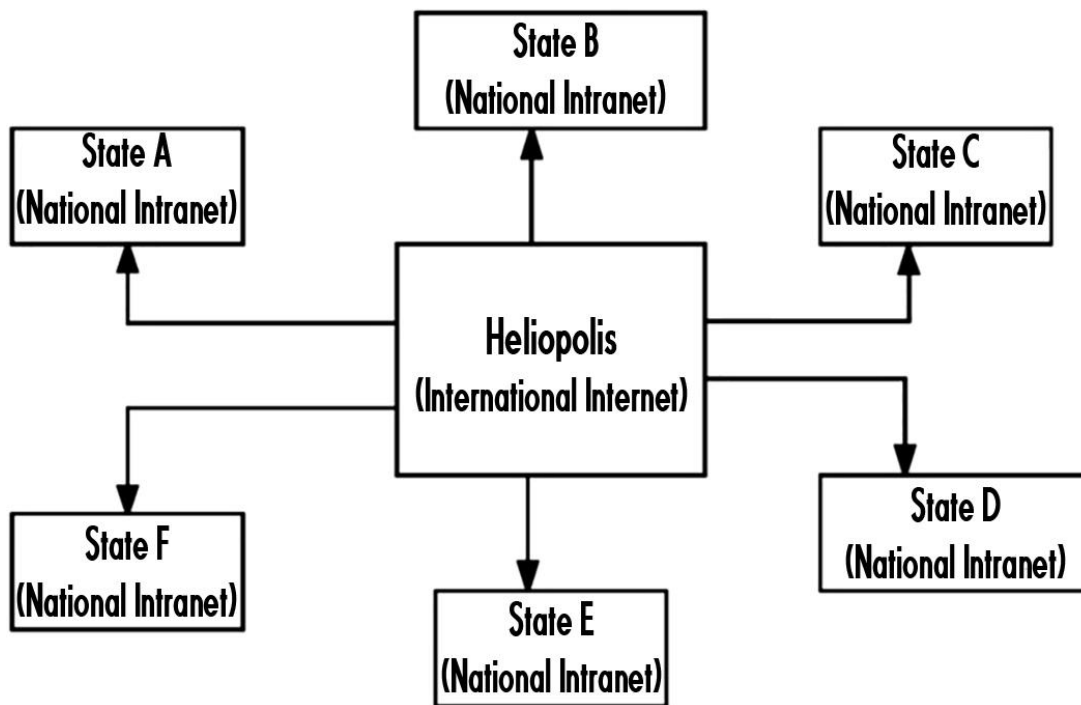
The concept of Financial Warfare is an ongoing development. It is doubtful that Liberal Capitalist Kapital and Schuld will be able to innovate further in this field, otherwise Financial Warfare would have been elevated to something more than just a rhetorical buzzword. There are plenty of opportunities for the Work-Standard to play its own decisive role in times of war *and* peace. Those opportunities have always existed and will continue to exist for the Work-Standard, allowing for the possibility to redefine the economic rules of engagement originally laid

out in the 20th century. In fact, the entire 20th century continues to be a lasting case study in itself because the 20th century never ended and the 21st century has proven to be a mere continuation.

One of the catalysts for Financial Warfare's emergence is the impending changeover of the present world order. The Liberal International Economic Order (LIEO) continues to languish and very little is being done to reverse its decline by the United States or the rest of the LIEO. No nation, not even the PRC, is ready to assume the mantle of heralding a different world order. When the present world order changes, there will be a multipolar world order of shifting alliances driven by the need to define or redefine longstanding national interests.

Another is the dissolution of the World Wide Web in favor of a "Splinternet" of national Intranets connected to a centralized International Internet. Every National Intranet will establish their own presences on this Internet through a series of proxy servers and mirror websites. The stressors are economic as well financial, driven by concerns over cyberwarfare, cybercrime, cyberterrorism, Globalization and the determination among dozens of nations to reassert national sovereignty over the digital realm. The old distinctions that defined what we had called the "clear web," "deep web," and "dark web" will also change to reflect those changes. This International Internet shall be the new clear web, the national Intranets as the new deep webs, and the digital spaces separating the Internet and Intranets as the new dark web.

National culture, tradition, language, customs and norms shall be implemented online among the different Intranets. It was that American Russell Kirk who argued that every technological innovation must conform to a long-standing tradition to be imbued with any sense of Dasein. The National Intranet of the Socialist Nation shall transpose the governance of Council Democracy onto the digital realm. Whether the Socialist Nation and its Socialistic allies will finally realize Heliopolis and the World State Organization should be left as an open question for now.



Author's Diagram of Heliopolis, the International Internet of the WSO.

Artistic Creativity and Innovative Ingenuity with the Work-Standard

The Socialist Nation of the SMP Compendium, it should be mentioned, will *never* resemble anything like the Soviet Union, the CMEA/Warsaw Pact nations, or even the People's Republic of China. Rather, it will be going above and beyond all of those countries, Jeffersonian America, the EU/NATO and the Empire of Liberty or Liberal International Economic Order (LIEO). Everything depends on the preservation and promotion of the national culture, traditions, faiths, values, language, customs and norms. It must tenaciously challenge all forms of Liberal Capitalist psychic and psychological subversion against the Totality. The Intent of this is not because we want to be isolated from the world, but because the need for authenticity in the State of Total Mobilization demands that we stay true to ourselves and to our own way of life.

This fact was already demonstrated by the non-Marxist Socialisms, although more recently among the Marxist Socialisms who had followed suit in response to Globalization brought on by the LIEO. The PRC, the DPRK, Cuba, Laos, and Vietnam were originally part of the old Soviet Eastern Bloc, and they have all realized that they had to resist the temptation of subversive Liberal Capitalist influences and, in some cases, even the Soviets.

This “***Social Imperialism***” waged by the Soviet Union against the PRC, East Germany, Hungary, Albania, former Czechoslovakia, and former Yugoslavia is not Maoist propaganda. It must never be seen as ‘proof’ of that despicable Trotskyite rhetoric about “Degenerated Workers’ States” or even “Socialism from Above vs. Socialism from Below.” Those are all sheer nonsense espoused by the delusions of grandeur and hubris shared among the followers of Leon Trotsky.

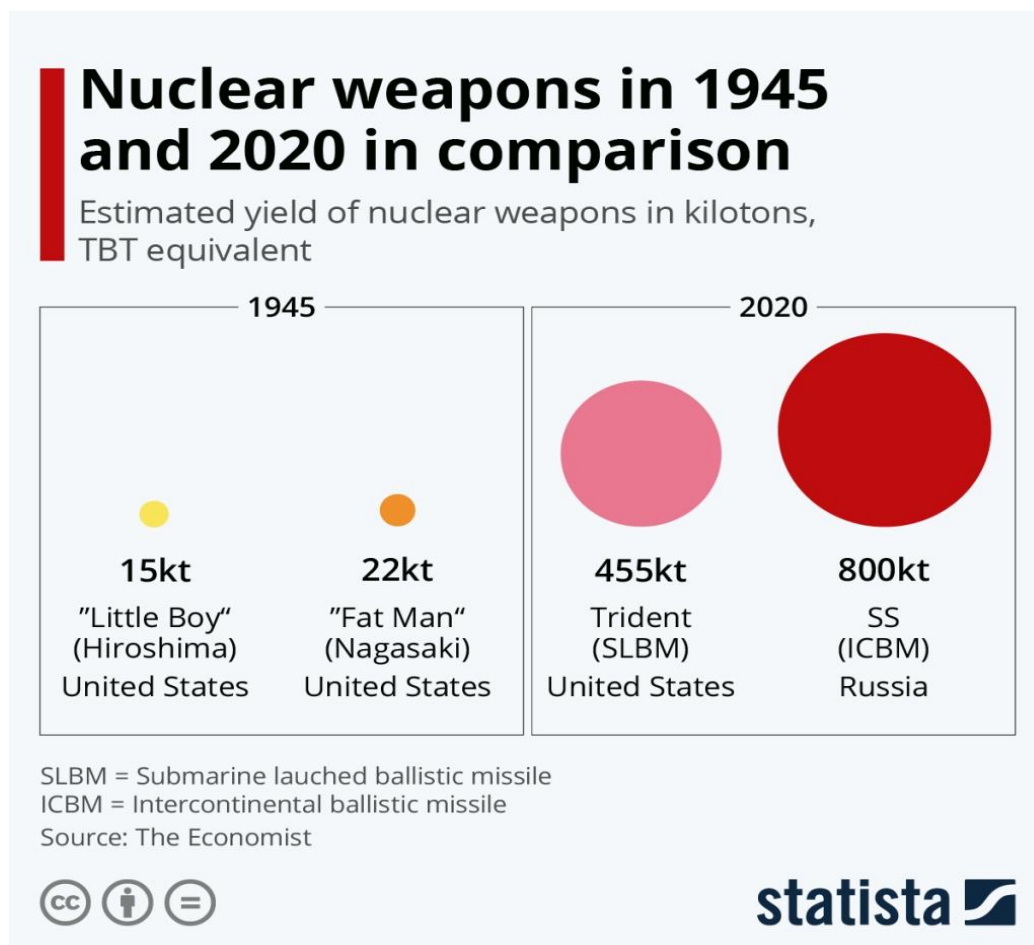
Echoing Vladimir Lenin’s personal complaints about Socialists hypocritically espousing ‘*Socialism in words, Imperialism in deeds*’ in World War I, Oswald Spengler also wrote about Social Imperialism while *Prussianism and Socialism* in 1919:

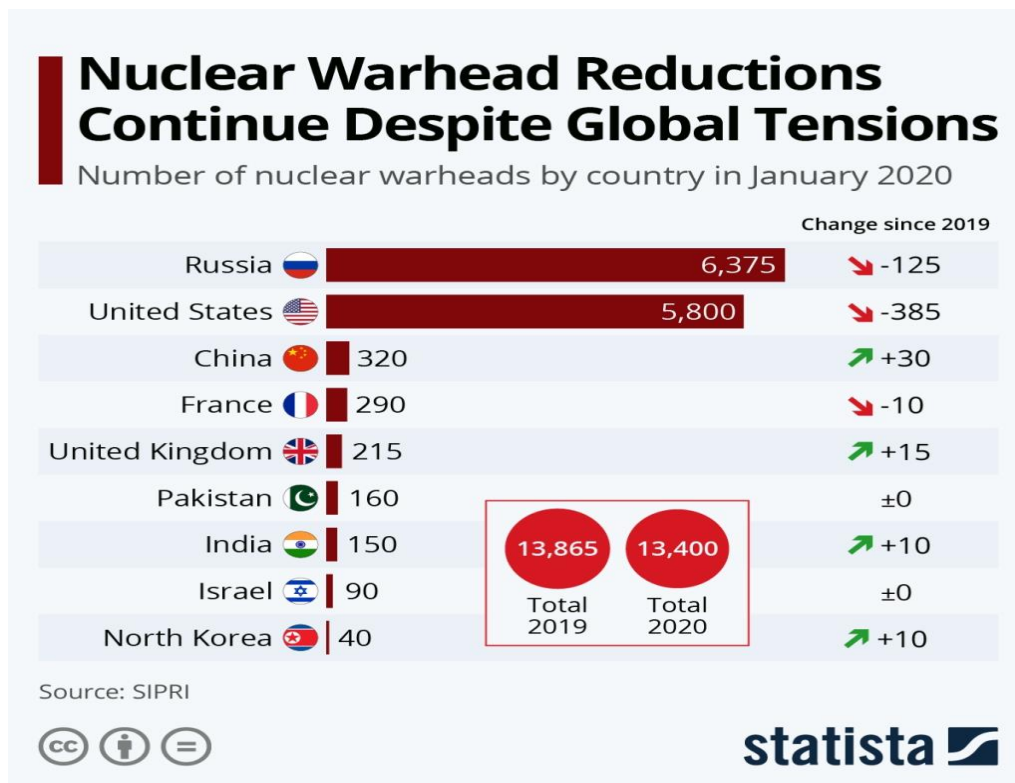
“In days to come people will look back with amusement at the thing called ‘international socialism’ that dominates the political image of the world at present. What we are really witnessing is an International of catchwords, Marxism as a set of vapid slogans. It will be able to arouse feelings of solidarity among the workers of all nations for only a few decades, and with much less intensity than the noisy Socialist conventions and the overconfident public appeals might lead one to believe. Actually this solidarity is limited simply to the belief that it exists, and to the fact that a movement in one country often calls forth a movement in another country. But it is characteristic of a civilization so completely saturated with literature as our own that leaders of the masses, who live in a perpetual cloud of theory, can nonetheless become the instruments of powerful realities. Representatives of English, French, German, and Russian modes of life foregather at pseudo-political conventions without ever comprehending each other’s basic feelings and desires, and strive to agree on a certain minimal set of principles that they think of as supporting some common cause.

*Just how thinly overlaid our other national instinct is by these intellectual realities became clear in August 1914, when they suddenly vaporized in the course of a single day under the heat of natural and nonintellectual passions. **Socialism is something different in every country.** There are just as many labor movements as there are vital races in the spiritual sense, and as soon as they have finished their search for things that they hate in common, these movements find that they hate each other just as pitilessly as they hate the peoples they represent. There are Red Jacobins and Red Puritans; there is a Red Versailles and a*

Red Potsdam. The same gap separates Shaw and Bebel as separates Rhodes and Bismarck. All of them have tailored their garments from the same old theoretical cloth."

We still live in a post-1945 world where nations continue to maintain stockpiles of nuclear weapons that can be deployed under the worst circumstances. The Socialist Nation of the Revolutionary Realm may still be living in a world ruled by Liberal Capitalists, but one would be naïve to not expect the old hostilities between nations to disappear within a Socialist world order. There will be the usual issues of sectarian and ethnic tensions, the usual power struggles between opposing interpretations of Socialism, the usual disagreements over international borders and the determination to redraw the political map of Earth. These problems inherent within the *Authentic Dasein* –“authentic human existence”–of every nation will persist in the Socialist world order. It is important to understand this political reality sooner rather than later because all the lessons of the ‘First Cold War’ will be reintroduced into the context of “Cold Peace.” Such a ‘new-old Cold Peace’ in the Socialist world order shall teeter between the brink of a ‘new-old Hot Peace’ and that of a ‘Second Cold War’ that can become another World War.





What lessons shall the Socialist Nation learn as it continues to exist in the midst of Thomas Jefferson's Empire of Liberty? Why is it so important for the People's Party and their Council State to preserve and promote the national culture, tradition, values, social customs and norms? Are there any ways for the Socialist Nation to creatively and artistically express itself through its own everyday technologies, including electronics, appliances, and other technical innovations?

Political Organization Problem's Foreclosure on Economic Calculation

The Political Organization Problem will continue to exist as the more suitable alternative to the Economic Calculation Problem. The Socialist Nation prefers the former over the latter, and it is demonstrated by the manner in which its VCS Planned/Command Economy is organized.

The VCS Economy does not adhere to a central plan from the economic planners where everybody must create goods and services of questionable quality in vast quantities. There is in fact a distinction between the "Central Planners" at the Ministries of Economics and Finance and the "Economic Planners" embedded across all State-Administered, State-Owned, and National-Socialized Enterprises. Rather than a single, binding economic plan, we issue individual Work-Plans and Work-Tenures as financial instruments revolving around Arbeit and Geld.

The State Commissars of the State Commissariats of Wages and Prices are closest that our national judicial system will ever be within economic life. The VCS Economy relays information to the State Commissariats through the delegates in a functioning Council Democracy in order to oversee the changes to proposed Wages for Paygrades and Prices for goods and services. The Kontore now operates on the Arbeit and Geld of NSFIs (National-Socialized Financial Instruments) as opposed to the Kapital and Schuld of LCFIs (Liberal Capitalist Financial Instruments) among the Liberal Capitalists' Financial Markets. Thus, the Financial Markets are

no longer necessary. Any promising NSFIs should be evaluated by the State and their overall effectiveness judged by the Totality.

It is not in the Duties of the Economic Planners to decide how many goods and services should be produced. The Industries within the Economic Sectors will produce as much as they need for their “Tournaments.” A Tournament refers to any “market” that operates under the Work-Standard and the Intents of Command and Obedience, where whole Enterprises compete for the highest-possible Rank through the best-possible Quality of Arbeit for the lowest-possible Quality of Geld. This involves producing adequate Sustainability in the production of goods and services, ensuring that the Quality of all goods and services maintains a steady pace with the Frequency of transactions for those same goods and services.

Our Tournaments are real places for Enterprises to compete in because, unlike Liberal Capitalists, we are appalled by the Liberal Capitalist conception of competition, the Economic Darwinism behind the Free Market’s Spontaneous Order of Natural Selection. In the Free Market, those perceived to be “uncompetitive” (i.e. contributing the least Kapital for the most Schuld, especially those more attuned to Arbeit and Geld) are always privatized and eventually eliminated altogether from the “commands” of Market/Mixed Economy. Meanwhile, the essence of our markets as Tournaments is rooted in the fact that, like real sports tournaments, nobody in their right mind massacres an entire sports team for not performing as well as their competitors.

There will always be ways for the State Commissars at the State Commissariats of Wages and Prices to consider a *Transvaluation of All Arbeit*, questioning the vocational administrators and civil servants at the affected Enterprise on whether they found their Vocations in Life. Any Enterprise that does not perform as well as their competitors at every Tournament shall never be privatized, expropriating the Totality with the introduction of absurd Taxation. *They can only be dissolved by the approvals of the Enterprises’ Administrators and Civil Servants in a majority vote at the workspace, the Economic Planners ordered by the State Commissariats to attend a Bankruptcy Court as an official court order under the Intents of Command and Obedience.*

Every Enterprise, so long as they remain committed to their Authentic Dasein, will always remain active. Our Economic Planners share the same Duties to look for ways to improve the Quality of Arbeit at the workspaces and listening to the concerns of the Vocational Civil Servants. If they cannot do that, the State should be given the power to relieve them of their Duties for failing to uphold basic democratic practices in the VCS Economy.

On the Diversification of Production in Goods and Services

Suppose there is an abundance of goods and services for the entire Socialist Nation, even though some of them are being exported abroad and the rest stockpiled. While the Economic Planners could ‘scale back production’ by letting go of certain people employed at an automotive assembly plant, why should they? Why would the Economic Planners carelessly destroy such valuable, high-paying Vocations all because it is somehow ‘cheaper’ to build automobiles with Automation? Why must the Socialist Nation continue insisting that unemployment and underemployment do not exist once the basic minimum of production has been exceeded?

Whenever and wherever the Socialist Nation’s production capacity exceeds the number goods and services required by the Totality and the State, a new Implicit Intent emerges. The possibility is there for the Enterprises of whole Industries to consider creating custom-built designs tailored to the specific Ranks within the hierarchical command structure. Economic Planners should realize that when the basic minimum is exceeded, their Enterprises will begin production

on unique, decorative and ornate variants of their manufactured goods. Such activities should be supported by them and the State because they offer additional sources of Arbeit and Geld.

- The Agricultural and Livestock Industries would like to cultivate agricultural products in inhospitable environments and storages for long periods, helping their livestock ward off pests and diseases, and providing healthier food menu options will be pursued.
- The Fishing and Meatpacking Industries are looking into ways to minimize overfishing and overhunting, cultivating special environmental preserves where the Socialist nation can replenish populations before releasing them back into the wild.
- The Mining and Lumber Industries is reorganizing production processes where the Socialist nation will preserve its forests and minimize overconsumption of metals and rare materials as possible. They will also look into minimizing environmental degradation by the development of alchemical-like technologies that can turn base metals into a different base metal.
- The Energy Production Industries are constantly focused on improving the quality of zero-carbon synthetic fuels and ways of closing the nuclear fuel cycle. They will be looking into ways to convert spent nuclear fuel to create electrical power and even the transmutation of a base metal into another.
- The Automotive Industry is experimenting with unconventional, unusual vehicle designs that could yield technological breakthroughs someday. Spare replacement parts may be ordered by motorists interested in modifying their cars, trucks, motorcycles and SUVs. Not every vehicle in our streets and highways should have to look the same.
- The Computer Electronics Industry is developing custom-built, handcrafted electronics, analog and digital devices. Everything like spare parts for building PC desktops from scratch to unconventional designs is being repurposed. Moreover, the Furniture Industry, when it is not mass-producing furniture, has its artisans building handmade furnishings.
- The Toy Industry is creating toys distinct from those found in other countries. And the Video Gaming Industry may consider offering their game engines to gamers interested in developing Machinimas on behalf of a Kontor's Office VI or even a video game modification, otherwise known as a "mod." There were some video game mods in the late 1990s and early 2000s that later became their own video games.
- The Restaurant Industries may consider refining their culinary dishes with the latest preservation and preparation techniques. New food items purchased today may potentially become iconic staples of the Socialist nation for international observers tomorrow.

Below are a few more examples where we can expect the VCS Economy to find additional sources of Arbeit and Geld for the Economic Planners and their Accountants to also consider:

- *Civil Service Uniforms and National Educational Uniforms:* The boys and girls in our national educational system wear an official school uniform as well as in our Socialist Student Economy (SSE). Such Prussian uniforms and regulations continue into the university campuses and the workspaces of the VCS Economy. Garments Industry produces these uniforms to remind everyone that every Vocation is an official function of the State. They are looking into ways to develop synthetic fabrics on grounds of Autarky.
- *Cultural Festivities and Youth Gatherings:* On certain days of the year, the Socialist Nation hosts cultural festivals and processions that do not necessarily have a political context because they are a part of our national culture and tradition. There will be opportunities for

us to invite foreigners for cultural exchanges. Our SSE hosts youth rallies and gatherings dedicated to Socialization in the countryside, giving the urban youths their opportunities to attend summer camps and avoid an afterschool life of petty street crimes.

- *Foreign Tourism and Religious Pilgrimages:* The Socialist Nation may have landmarks and memorials to certain historical figures unconnected to the People's Party but nevertheless share the values and worldview of the People's Party and its United Front. There may be occasions where the central government may allow foreign tourists to visit and film cultural and architectural achievements. And there are also occasions where there are religious sites of the Catholic faith for instance. Like the Cultural Festivities, they will contribute far more Arbeit if such processions reflect our culture and values. The tourists and pilgrims need to be catered to by the Tourism and Hospitality Industries as well as other Industries specializing in aircraft, trains, ships and public transportation.
- *Ceremonial Guard of Honor:* The Socialist Nation has important monuments and memorial sites to prominent war heroes and important historical figures. They do not necessarily have to be directly connected to the People's Party. Our Armed Forces have special military formations tasked with being the ceremonial guards for these sites.
- *The United Front of the People's Party:* Council Democracy under the Socialist nation disregards the "Left-Right Political Spectrum" and its "Authoritarian/Libertarian Axis" as Liberal Capitalist propaganda. It undermines our Democracy, corroding the social trust and social bonds of the Totality and rendering the Totality vulnerable to the rhetoric of demagogues advocating for so-called "free market reforms." Every citizen has a Duty to oppose all subversive influences which threaten to divide the political forces rallying around the "United Front" of the People's Party. This United Front advocates for political pluralism by including Conservatives, Nationalists, Traditionalists, Ultramontanes, Statists, Authoritarians, Anarchs, and Environmentalists in the State Council and Electoral College. They embody the other qualities that the Socialist nation must strive to uphold.

As with Monetary Creation/Contraction, the possibilities presented by the *Schwerpunkt* are endless here. The Intent should be obvious by now: there is plenty of opportunities for Arbeit to be contributed and Geld to be generated in the production of more unique and artisan goods and services. We do not have to be creating the same goods and services or repeating them same production process every single time. We can contribute Arbeit and generate Geld through experimentation, innovation *and* achieve technological breakthroughs. After all, the Central Planners and the Central Bank are still going to expect results because a competitively cooperative spirit of innovation and tradition defines the VCS Economy.

Expressing Identities through Technology

Technology should be built to truly last and not be quickly rendered obsolete due to faulty design flaws. Technology is not a politically neutral entity, nor should anyone be unaware of the fact that philosophers can project their own ideas onto specific technical designs and applications. Anyone who continues to believe that Technology is somehow ‘apolitical’ will never understand why it is a common propaganda meme for Liberal Capitalists to claim that Socialism is “unsophisticated,” “uncivilized,” or “backwards.” The argument by this meme claims that any country adopting Socialism is incapable of being innovative, forward-thinking, and revolutionary in the technological sense. What the Liberal Capitalists do not know is that the People’s Party and their Socialist Nation are fully aware of the fact that the Work-Standard entails a Socialist Finance, Technology and Fintech embodied by the Figure of the Arbeiter from Ernst Jünger’s *Der Arbeiter*.

Today in the early 21st century, there are well-known forms of “Liberal Capitalist Technologies (LCTs)” which have no place in the affairs of the Socialist Nation as well as “Foreign Socialist Technologies (FSTs)” imported from other countries. LCTs and FSTs both stand out from their domestically-produced counterparts because they reflect the psychic and psychological conditions of those who had contributed to its creation.

For instance, American automotive industries, beginning with the General Motors Company, had developed automobiles to be sold each year by only having their outward cosmetic appearances changed. Very few, if any, improvements or modifications were made to these newer models in a process that GMC executive Alfred P. Sloan Jr. borrowed from the bicycle industry called “Dynamic Obsolescence” (or more commonly known as “Planned Obsolescence”). Planned Obsolescence is when any finished good or product was designed with an artificially short service life in order to allow privatized commercial firms to achieve the greatest Quantity of Kapital through an increased Frequency of replacements for the lowest Quantity of Schuld. It strongly resembles the Liberal Capitalist conception of history, where economic life follows a linear, progressively straight line as opposed to the Socialistic spiral or cyclical conceptions of history.

Smartphone manufacturers have also emulated “Planned Obsolescence,” given the constant releases of countless different iPhone models. It is possible that there are other kinds of Liberal Capitalist electronics being designed to force people on a linear path of progression outlined in the Liberal Capitalist conception of history.

Social media platforms are being designed to create a linear path of progressive addiction in its users. This is evidenced by how young people in America and the broader Western world are addicted to their smartphones and having drastically shorter attention spans as a consequence. Instagram for instance is designed to create self-esteem and self-confidence issues among teenage girls by subjecting their online experiences to the “Keynesian Beauty Contest” from Chapter 12 of John Maynard Keynes’ *The General Theory of Employment, Interest, and Money*.

Post-9/11 mass surveillance are now capable of datamining personal information online for conversions into Kapital and Schuld by means of personalized advertisements. Such mass surveillance systems have been relied on by data analytics to control the political-economic decision-making process of a Totality living under Liberal Capitalist regimes. Worse, personal information is being gathered on everyday people in America and the Western world without their consent and their foreknowledge. Their personal information is literally being expropriated from them in order to sell them goods and services that they neither truly needed nor truly wanted. Here, we find yet another example of Liberal Capitalist ideology’s “Freedom-Security Dialectic,” where

the inward unfreedom and inwardly insecurity reigns within the Individual and kept hidden behind a pretty veneer of outward freedom and outward security.

There are Liberal Capitalist fashion and cultural trends that were brought into existence one day and were immediately rendered archaic later on by future generations because those trends lacked any sense of continuity in the values of any known national culture or tradition. Rather, these trends came and went because the advertising and mass communications firms in Liberal Capitalist regimes had introduced them for Kapital. The people who adopted those temporary trends did so not because they wanted to change the national culture or tradition, but because they wanted 'to be different' as an Individual controlled by the propagation of Kapital and Schuld.

Liberal Capitalist Technology demonstrates absolute disregard for our Socialist nation's culture, traditions, social customs and norms, family, community and faith-based values, and ancestral heritage. The people who designed them do not care about *the highest-possible Quality of Arbeit for the lowest-possible Quality of Geld*; they care far more about generating the greatest Quantity of Kapital for the lowest Quantity of Schuld. Our scientists and engineers help the Work-Standard when they contribute to the development of Technology capable of facilitating Arbeit and Geld. Our artists, scholars and philosophers achieve far more Arbeit and Geld when they are helping our scientists and engineers with any proof of concept and prototype. Our Technology must adhere to the distinct manner in which we live our lives.

True Socialist Technology shall last longer than any trend or fad peddled by Thomas Jefferson's Empire of Liberty. We may seem 'backwards', 'uncivilized' or 'unsophisticated' to people living in the Empire of Liberty, but at least our Technology helps us retain our inward sense of Authentic Choice in the State of Total Mobilization. Production for *Dasein* does not entail manufacturing technologies which do not last or allowing the manufacturers themselves to develop technologies that eliminate Arbeit and Geld in favor of Kapital and Schuld. Our electronics and finished goods are made on assembly lines where people produce the basic essentials before moving to develop their own custom-built variants, subvariants and derivatives. It is part of the same Intent behind why our State Commissariats strongly supporting manufacturers that strive for high-quality products with superior artisan craftsmanship. Our Council State supports them in their efforts to create the most unique works of art through creative ingenuity and tradition.

Take some time to tour our cities *and* our countryside. Our architects design the parishes, cathedrals, school, universities, homes and apartments, shops, restaurants, and town squares in this country according to Gothic, Baroque, Classicism, and Heroic Realism. Strength and beauty define the structures and we strive to ensure that our skyscrapers reflect those architectural design philosophies. Our residential homes are not cheaply made out of wood and bricks, but stone and granite. They may not be as large when compared to an American McMansion, but they are nonetheless spacious enough to be multigenerational and survive will wars and natural disasters.

The homes in Jeffersonian America, by contrast, are not even worth their Prices anymore. They are so cheaply made, impractical with living space, and cannot even house up to three generations. When tornadoes or hurricanes strike, they are reduced to a sorry pile of rubble. When fires break out, very little will remain, and everything still standing will have to be torn down and rebuilt from the ground up again. If such homes cannot withstand fires or natural disasters, how well will they fare in a war? Can they withstand large caliber bullets, unguided rockets and shells, a multi-ton armored vehicle ramming through its walls, or a burning plane slamming against its roof? These questions will never be addressed nor even answered in a "real estate market."

But one may be inclined to ask 'how we are going to keep up with the Empire of Liberty?' The most obvious step is to never compare us to the Jeffersonians, always remembering that they

are the ones who have drowned in the Schuld of their own Kapital Accumulation. We, on the other hand, will be unleashing the Figure of the Arbeiter and its Technology to mobilize our nation and the entire world once the Jeffersonians exhaust themselves to the point of being absurd.

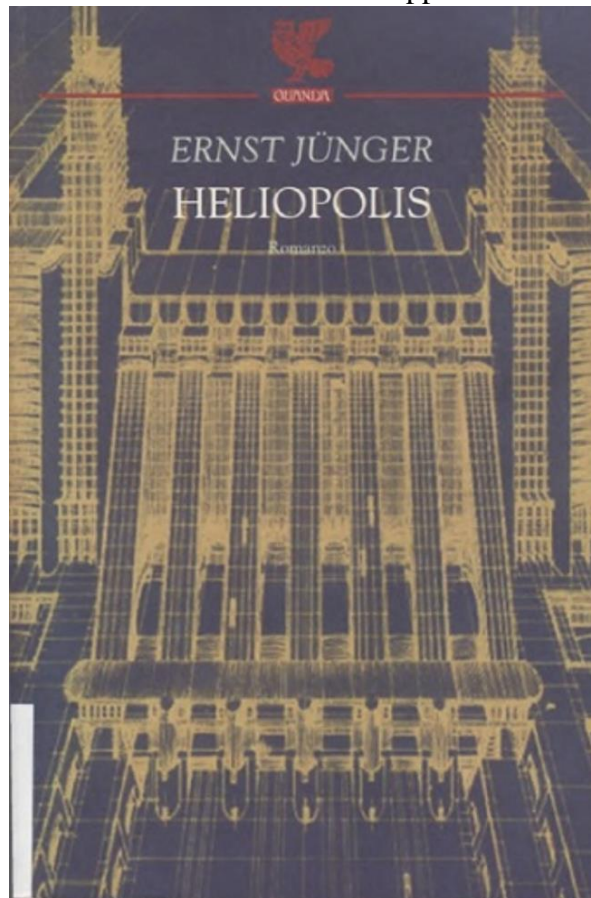
The Arbeiter has a special Vocation unlike the rest of the Totality. His Intent is to develop a Technology where we can ‘electrify’ our own Arbeit and Geld, tremendously boosting our Quality of Arbeit and reducing our Quality of Geld. Such Technology is always unaccounted in the Mechanization Rate of the Central Bank. Yes, that is correct: *the Technology of the Arbeiter was never meant to be accounted in the Mechanization Rate of the Central Bank*. The Arbeiter’s Technology is a cyclical spiral centered on Arbeit and Geld, capable of electrifying his own Arbeit and Geld through the unmanned or pre-programed operations of MATVs, MARVs, Command MATVs, and C-Wings. That will save the Quality of Arbeit, avoid the excesses of a high Mechanization Rate (*which will unjustly and wrongly destroy valuable Vocations, increasing the risks of a Recession*), and ensure the Attrition/Inaction Rate stays within normal bounds.

The Arbeiter and its Technology is responsible for the conversions of Digital Arbeit and Digital Geld into actual Arbeit and Geld through the LERE (Life-Energization Reciprocal Electrification) Process. Every form of Arbeit done by the Arbeiter’s MATVs, MARVs, Command MATVs and C-Wings receive a well-encrypted LERE-Stamp denoting the Intent of their activities and the Quality of their own achievements with the Arbeiter. The Socialist Nation can and will see to it that the untapped potential of the Arbeiter is realized because the Work-Standard encourages it. That is how the Socialist Nation is going to ward these Liberal Capitalist Technologies: developing reliable and unique alternatives just as how the Work-Standard relies on the revolutionary Art of Socialist Finance and Socialist Fintech.

Project Cybersyn and Ernst Jünger's 'Phonophores' and 'Luminar'

It is generally agreed that the Internet and smartphones are ubiquitous aspects of everyday life in the early 21st century. Everyone uses the Internet to connect with others and everyone else browses on their smartphone when the opportunity arises. It is possible that somebody may be reading this Entry in the Compendium on their computer or mobile device somewhere. If one wishes to reinterpret the contemporary world, we are still living within the broader backdrop of the 20th century. Today's circumstances may seem different, but so much of everyday life has been impacted by an aspect of the previous century in one capacity or another.

For unknown to most people, these technologies which have taken for granted were anticipated as far back as the 1940s by Ernst Jünger in his novel, *Heliopolis*. In that particular book, Jünger depicted a future world where humanity carried smartphone-like devices called "Phonophores" that were connected to an Internet-like app called the "Luminar."



Such technologies were depicted again in his 1977 novel, *Eumeswil*, which depicted that same future world in which its setting can be best described as 'post-apocalyptic'. The Luminar app enabled its main character to 'travel back in time' and witness how history unfolded as part of his own personal research as an historian. An English translation on a website devoted to Jünger's Bibliography was very adamant about its significance in the contemporary world:

"Anyone who has read Heliopolis, Jünger's first futuristic novel, should not be surprised by the title of this blog and the embedded lecture. These readers already know that an

apparatus with almost identical functions to today's smartphones appeared in this novel way back in 1949.

A pity that the speaker, after so convincingly explaining the remarkable parallels between the phonophore and smart phone/internet, seems to feel obliged to discover some flaws in Jünger's vision – but then the speaker is after all German and the visionary is Ernst Jünger, their own beloved national scapegoat.

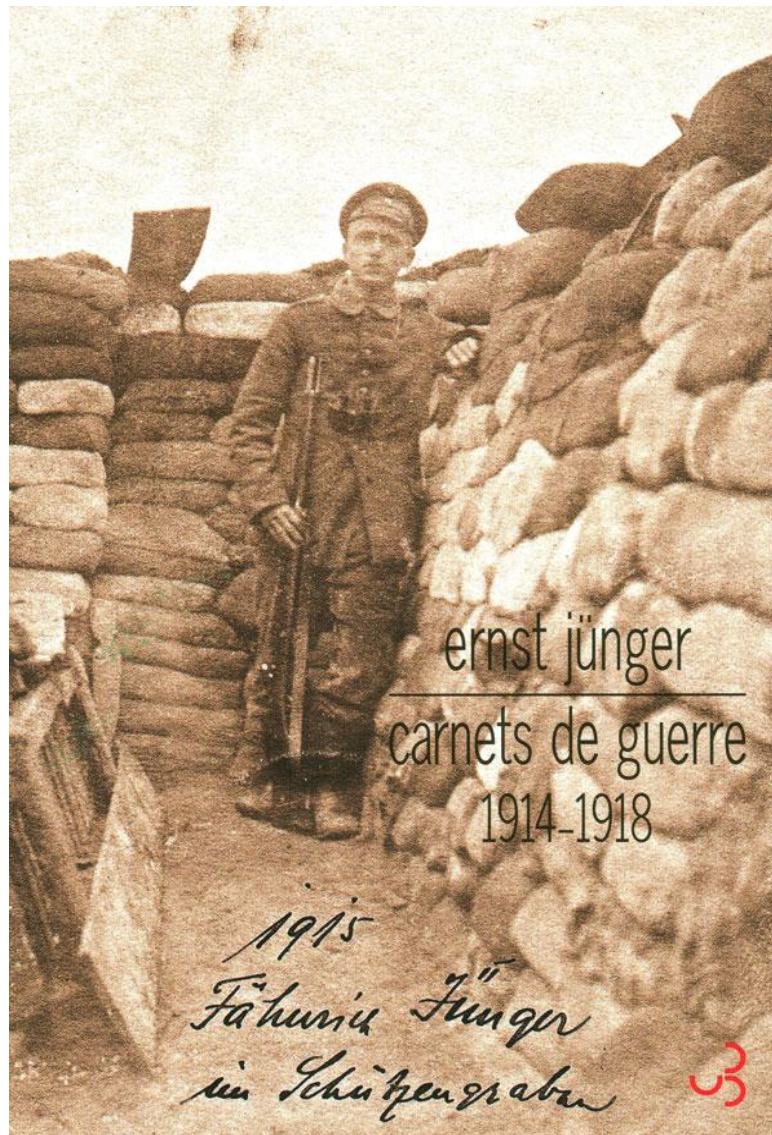
But ignoring for the moment that any vision of 2010 from 1949 is bound to contain some inaccuracies, I still do not agree that there is an essential difference between today's reality and Jünger's view of media in Heliopolis. That is, that a central monopolisation and hierarchy of address and response functions does implicitly exist in the phonophore network or internet, as it is called in our world.

Those who believe in the opposite, in real decentralization, freedom and democracy of the internet, live in ignorance of the underlying power structures of this world and their powerful social conditioning instruments. As with any tool, it is the chosen use which determines its value to man, not any intrinsic property of it. And of all its potential uses, the internet has become above all a principal vector of social conditioning in our world. And that is always hierarchical.

Which is not to say that the internet, like the phonophore network and the Luminar of Eumeswil, cannot be leveraged by individuals by their own genuine advantage. It all depends on the user, not the tool. Only an individual – and never a society – can ever hope to be free and 'unruled from above' – that is to say literally, an an-arch."

For those who are interested in tracking down the source, there is a rough English translation of where the Phonophore and Luminar both appeared on that the same blog.

It would not be too much of an overstatement here to suggest that Jünger did not just predict the advent of a world connected to the Internet and having smartphones around for everyday use. He essentially saw the development of emerging technologies in general during his wartime experiences in the First World War, writing about their growing role in the Western world throughout the 20th century.



Ernst Jünger in the Trenches of World War I

The early 20th century saw rapid developments in automatically-operated machinery that did not require manual operation by humans. Conceptualized theories and devised technologies from the period were shaped by preceding developments in the 19th century. This observation is discernible among the nations involved in the two World Wars, where weaponry, motorized vehicles, aircraft and warships filled a niche bridging what came beforehand and what came afterward in the Cold War and beyond. But computer technologies grew up alongside nuclear technologies against the backdrop of the Cold War in the late 20th century.

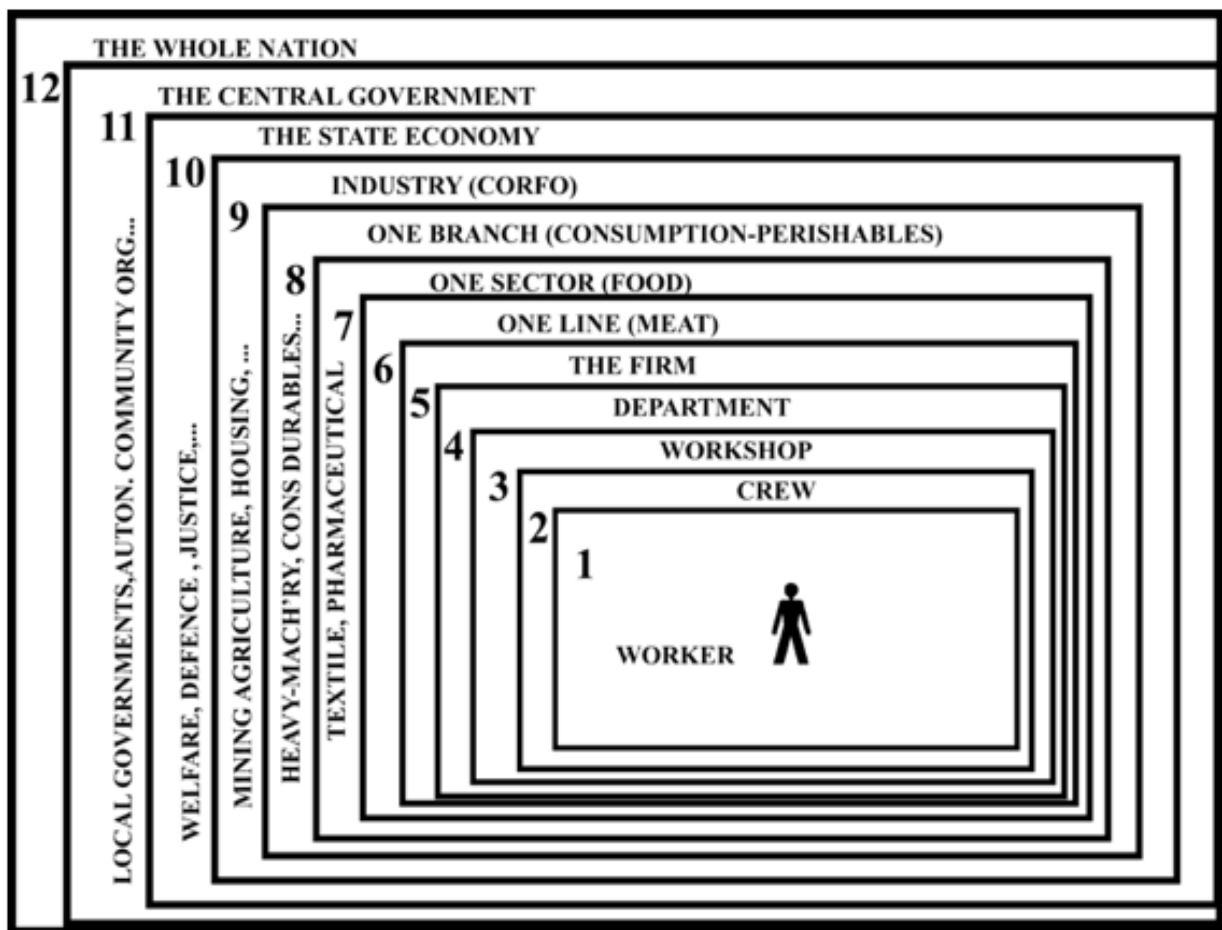
The secret to understanding how Jünger foresaw the later appearances of the Internet and smartphones was that they came as the result of his observations in the essay “Total Mobilization,” the topics of which were later expanded in *Der Arbeiter*. While the technological developments of *Der Arbeiter* may have been on the cutting edge in the 1930s, Total Mobilization itself was normalized and not just because of the Cold War. In essence, Total Mobilization in the late 20th century erased the distinctions between “peacetime mobilization” and “wartime

mobilization.” The growing complexities of everyday life had set the precedent for any government to direct and guide the affairs of national economies toward specific goals.

The most important topic that Jünger discussed in *Der Arbeiter*, what would later become increasingly relevant by the 21st century, is the transdisciplinary field of Cybernetics. Cybernetics concerns the role of automatic control systems and their interactions between humans and the machinery. The general premise behind Cybernetics is that humanity can achieve far more by working alongside machinery as opposed to working without them or vice versa as some proponents of automation and artificial intelligence have suggested. Computers and smartphones are common examples of Cybernetic technologies because Cybernetics in general offers the ability to send, receive, store, and process information within a feedback loop that can translate into an actual process of organization and decision-making.

One of the notable contributions to Cybernetic technologies in the Cold War has been *Proyecto Synco* (*Sistema de Información y Control*; Project Cybersyn) of Salvador Allende’s Chile. The intended purpose behind Cybersyn was to allow the Chilean government to relay information about the overall state of the national economy and monitor its performance from given trends and making predictions based on simulations.

The operating software relied on the “Viable System Model” of Stafford Beer, who founded the subfield of Management Cybernetics in his 1972 book, *Brain of the Firm*. Cybersyn was in many respects an attempt at realizing the Viable System Model as a practical application.



It functioned as a network of hundreds of telex typewriters, the pre-Internet precursor to the fax machine and later emailing, organizing them as a “Cybernet.” The Cybernet operated on a software program called “Cyberstride,” which transmitted information on specific firms and sectors of the Chilean economy to a government office in Santiago. Should something happen to a particular firm or sector at a given point in time, the government office was notified.



This office in particular was the “Operation Room,” a hexagonal-shaped room with seven tulip swivel-chairs featuring built-in buttons at the armrests. The buttons controlled various panels denoting the different sectors of the economy and screens depicting prepared graphs and slides sent from the Cybernet. The swivel-chairs themselves were arranged in a manner where everyone faced each other, so that when a vote on a state of the economy was decided, the seventh person will be able to break any potential tie in the casted votes.

While the technologies may seem rudimentary by today’s standards, the concepts that went into the specifications of Cybersyn are a basic example of the general procedures behind Council Democracy. The implications alone demonstrate what can be seen as an early foray into a rudimentary form of the Work-Standard’s MTEP (Mission-Type Economic Planning) as part of a Vocational Civil Service (VCS) Economy. It is more realistic to expect that MTEP to rely on a more advanced technology that draws on a different conception of political-economic organization and governance. Even so, it may be possible that Cybersyn could have gone in that direction if Allende’s government survived long enough for a new version to be developed.

The Internet, the Y2K Bug, and the Work-Standard's Mechanization Rate

Information technologies grew up alongside nuclear technologies in the wake of the Second World War. The most obvious example of their pervasive importance is of course the World Wide Web (WWW). The WWW is the digital medium that everyone uses whenever they are referring to the Internet. Its emergence in the 1990s came as a result of decades of research into Cybernetics and the role of information technologies during the height of the “Cold War,” the continuation of World War II under an entirely different name.

The late 20th century saw rapid developments across many different technologies as the transdisciplinary field of Cybernetics was increasingly being explored on both sides of the Iron Curtain. The realm of information technologies reached their infancy as a viable model of Economic Governance around the Death of Bretton Woods, which was between the late 1960s and early 1970s. This was also the period of Détente when the Cold War (Read: World War II) was normalized until it finally came to an end by an official peace treaty in 1990. The computers in use between the 1960s and 1990s were unlike those which are so commonplace in the early 21st century. The older ones were massive machines that took up an entire room, their storage capacity too small and their overall Prices indicative of impracticality for everyday uses outside of government bureaucracies. In fact, it was because of those circumstances that the infamous “Y2K Bug” was allowed to become sensational enough to later pave the way for the Dot-Com Bubble.

For those who were born after 2000, the Y2K Bug was a computer error caused by the dating system relying on two-digit years rather than four-digit years. A computer prior to Y2K rarely composed the date as “MM/DD/YYYY” to generate an output of 12/31/1999 to indicate “December 31, 1999.” Again, the memory capacities of computers, particularly those that needed to store large amounts of data, were too small and too expensive to make four-digit years practical. Computer scientists in the late 20th century chose two-digit years as a stopgap measure, convinced that the affected computers would become obsolete before 2000. Their reasoning behind the use of two-digit years at the time was that, given the rapid advancement of computer and information technologies since the Death of Bretton Woods, these affected computers would be replaced by newer computers that have enough memory capacity to render the Y2K Bug ‘obsolete.’ Unfortunately, this sort of reasoning is just more of the same one-sided Liberal Capitalist thinking characteristic of having a linear perception of Life itself.

Thus, instead of “MM/DD/YYYY,” they programmed the computers to read the output for “MM/DD/YY” as “December 31, XX99.” The rollover after ‘99’, however, raises all kinds of questions. Yes, average people can figure out that the day after December 31, 1999 will be January 1, 2000, but what about the computer? Will the computer register the rollover year as “1900” or perhaps “19100” (Read: 19/00)? These flaws only became discernible by the 1990s, when the Y2K Bug was being taken seriously. Anyone who was alive then remembers the panic of this sudden realization and the subsequent push to have all computer systems “Y2K compliant.”

The WWW was already in its early years when the Y2K Bug began to receive the attention that it deserved. In a time before social media and proposals to develop near-absolute overdependency on the WWW, the “Internet-of-Things (IOT),” the transmission of information on the Internet in the 1990s was scant. Fewer people were on the Internet during those days, which accounts for why the historical record on the Internet from that period is so scarce or at risk of being forever lost. Although one could browse the old news archives from that period, there really

is no Internet-only website or blog still operational whose origins can be traced back to the 1990s. What is commonly understood by most people about the Y2K Bug by average people on the Internet came from hindsight *after* 2000, rather than from foresight *before* 2000.

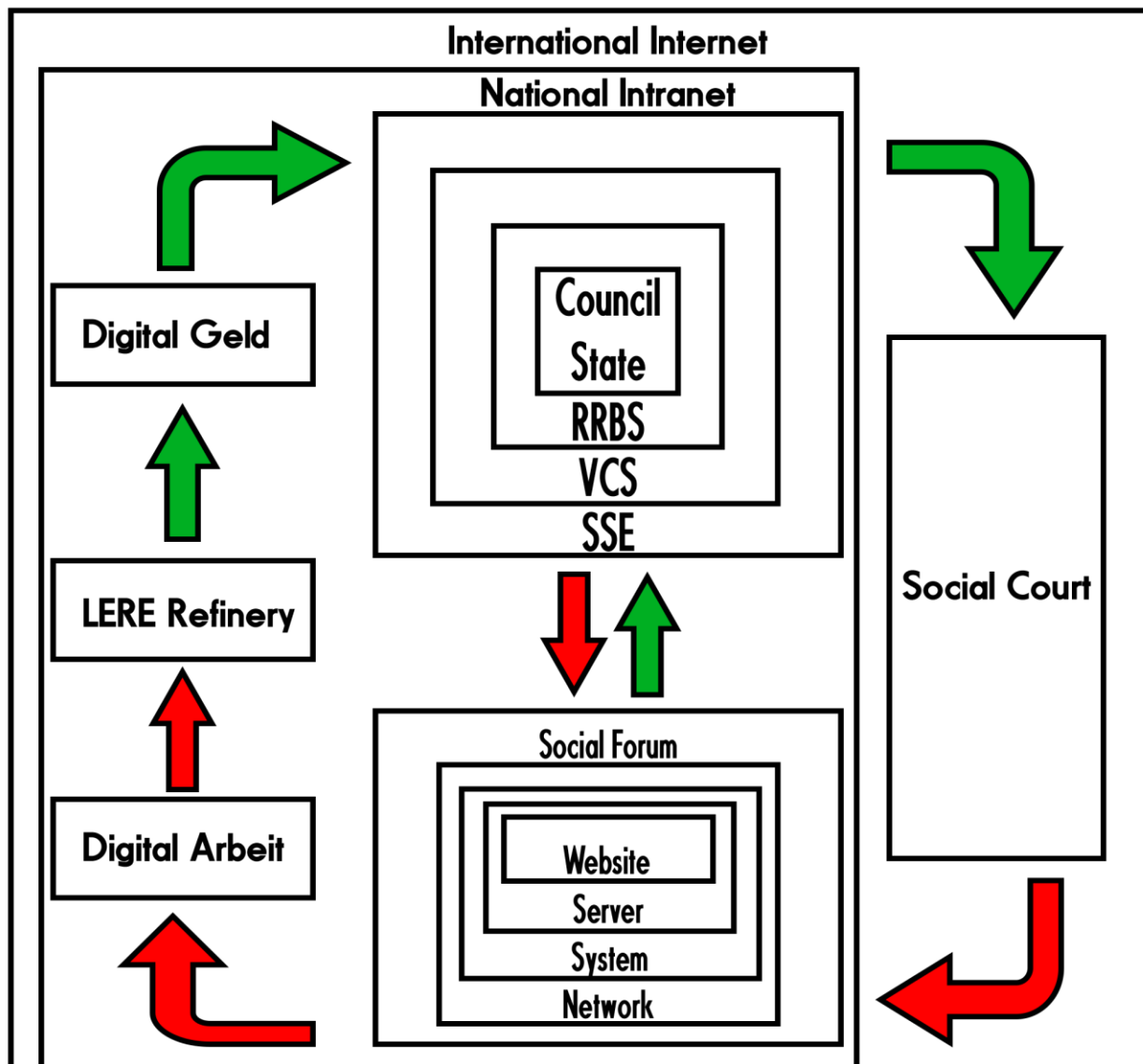
There is an instructive lesson to be learned from the Y2K Bug with implications related to the proliferation of disinformation and mass surveillance on social media. In essence, everyone knows how information technologies have become increasingly prominent in their own everyday lives. Anyone reading this Entry on their PC, smartphone or any other device has access to the WWW on those same devices. The greater availability and accessibility of the WWW came as a result of subsequent advancements in information technologies like WIFI and Cloud computing, allowing greater coverage for wireless devices like gaming consoles and smartphones, and enabling whole countries to become more interconnected. Like Petroleum and US Dollars, the WWW has become so commonplace that humanity somehow ‘losing’ access to it seems unfathomable for young people who grew up without any memories of life before the WWW.

The very notion of abandoning the WWW in favor of another Internet would seem outlandish for some people until they realize that this possibility was already being anticipated by governments and telecommunications firms as far back as the 1990s. Similar sentiments will no doubt manifest themselves as the Socialist Nation establishes its National Intranet and connects its digital infrastructure to another International Internet, Heliopolis. What distinguishes Heliopolis from the WWW is its ability to exhibit the characteristics of “Internet Balkanization,” an offline decentralization of the Internet into Intranets owned by their respective governments. This is already the case among the internal networks of universities, institutions, governments, and organizations. What Internet Balkanization entails is the concept of the Internet ‘splintering off into National Intranets connected to an International Intranet.’

From there, the Socialist Nation’s National Intranet can be further compartmentalized to insulate its digital infrastructure against external and internal cyberattacks, cyberterrorism and cybercrime, deterring them from affecting Financial Regime’s Mechanization Rate, the LERE Refineries and the online Tournaments of the VCS Economy and SSE. This Financial Warfare-capable feature deserves its fitting designation as “Splinternet” as it cannot be created by conventional firewalls, cyberdefenses and anti-malware software under the Political Organization Problem. The best way to comprehend its realization as a “Early Warning Cyberdefense System” begins with somebody logging onto the Socialist Nation’s National Intranet from one of three entry points: the “Clear Web” (Heliopolis or WWW); the “Deep Web” (other Intranets); and the “Dark Web” (software designed to illegally infiltrate or invade the National Intranet). The latter is where the Splinternet becomes increasingly relevant to the Y2K Bug because “Zero-Day Exploits” will also be identified by the Splinternet as entering the National Intranet from the Dark Web itself.

As computer hackers and their malware breach the Socialist Nation’s digital borders, the Splinternet is designed to limit their attacks to specific targets instead of the entire National Intranet. These targets could just as easily be decoys or traps capable of exposing their presences to other cyberdefenses. No hacker can access, let alone explore, the entirety of the National Intranet without attacking entire perimeters of cyberdefenses that become increasingly difficult to overcome before they can finally attack the LERE or even LER Processes. They will also have to navigate the digital infrastructure being split between the SSE, the VCS Economy, the Reciprocal-Reserve Banking System, and the Council State, and all four of which have their own segments of the National Intranet divided into smaller segments of networks and servers. Any suspicious activities will immediately set off the Splinternet and put the Socialist Nation on high alert.

Recent examples of this trend include the “Great Firewall” in Mainland China and the more recent “Sovereign Internet Law” passed in Russia. It is also possible that Cybersyn’s capabilities could be further bolstered by a concept like the Splinternet. Although some may find this proposal to be somewhat preposterous, malware and cyberattacks are not the only conditions tantamount to warranting the need for a Splinternet. Another challenge to the WWW’s hegemony is the widespread proliferation of trivial information, the inability of institutions, technology firms, and governments to filter the flow of information because information on the WWW grows exponentially to the point that nobody can keep track of anything. The latter has provided the impetus for the development of data mining and analytics to gather information, sort out the reliable from the unreliable, and draw conclusions based on their implications. Not to mention the common usage of search engine browsers like Google to navigate and sift through the information.



Author's Diagram of the Digital Realm, including where the National Intranet and International Internet operate within the LERE Process. The Social Court acts as one of the locations that Foreigners would visit on their way to a National Intranet from the broader International Internet.

Furthermore, the Splinternet is compatible with the digital infrastructure of the National Intranet. For the International Internet, Heliopolis, its own infrastructure will be overseen by the WSO, as concluded earlier. The WWW in its current form by contrast is too ill-suited for such an arrangement due to how it was deliberately designed to ignore any and all considerations for national boundaries within the digital realm. This is because what passes as social media and “eCommerce” will assume different characteristics, capabilities and organizational structures under the Work-Standard in order to be compatible with the LERE Process. For eCommerce, rather than replacing the vast majority of offline economic and financial activities, the LERE Process promotes the integration of online activities with the offline ones. LERE Refineries will serve as the means by which the Central Bank extends its Mechanization Rate to include Digital Arbeit.

The Mechanization Rate will then be capable of achieving what the Interest Rate was originally intended for, which is *to control the rates at which Currency Depreciation/Appreciation vis-à-vis the Attrition/Inaction Rate*, in addition to rendering the Interest Rate itself obsolete. Here, the old dynamics of Usury fades and in turn a different dynamic over the question of humanity and their technologies, which Ernst Jünger had anticipated in *Der Arbeiter*, emerges. The significance of the Work-Standard’s Mechanization Rate comes at a period in Western history where there are now looming questions over the future of *Arbeit*. A Financial Regime sets the Mechanization Rate, not the rate at which Geld is readily available, but the rate at which Arbeit is capable of being automated by the whole Socialist Nation. And as stated earlier, the Intent there is for the Socialist Nation to be capable of determining the extent of its dependency on Automation.

Why the “Splinternet” is an Alternative to the World Wide Web (WWW)

The rise of the Internet in the 1990s posed serious questions besides the sovereignty of the nation-state in the 21st century. It has introduced the role of Information as a fifth vector in the dynamics of Liberal Capitalist-style Free Trade, the other four being goods, services, labor and Kapital. Information, no matter how trivial or malicious, is capable of traveling across international borders on the Internet. So long as there is an Internet connection, there are no limits to where that Information is capable of heading. The consequences of its widespread availability are two-fold as everyday problems in the contemporary world as of late. Economic Nationalism and the proliferation of cybercrime and cyberterrorism will contribute to their effects and provide additional conditions favorable to the Splinternet.

The potential for the Internet to produce endless amounts of trivial Information has made certain corners of the Internet less known than others. That provided the impetus for the development of search engines and data analytics to record, collate, sort, and find Information more easily. The real problem is whenever its proliferation enables the spread of conspiracy theories, pseudoscience, and the proliferation of misconception and outright lies. The Coronavirus Pandemic alone has seen the intensification of conspiracy theories about *who* spread the Coronavirus strain and *how* it was allowed to spread beyond the PRC. In essence, the Internet has finally demonstrated itself to be a medium capable of proliferating all kinds of propaganda from State and Non-State Actors on a wartime scale, the motivations of which has been to find convenient scapegoats whenever COVID-19 infection rates surge.

The decision by Liberal Capitalist media outlets to invoke rhetorical comparisons to the “Spanish Flu” Pandemic from the United States is another example. It is noteworthy insofar as the ‘Spanish Flu’ came about during the final months of World War I. The analogy is dubious as the analogy was made at a time when no major conflict on the scale of the two World Wars is being fought by anyone. That has not stopped politicians among the Parliamentary Democracies of the Western world to demagogically exploit the Pandemic for their own electoral gains. If anything, this is a consequence of the preceding rise in Populist fervor throughout the 2010s, and as a survival move to maintain political legitimacy and credibility on the part of most parties.

An argument has been made that the wartime rhetoric among the leaders of various nation-states toward the Coronavirus Pandemic is an example of what Ernst Jünger once described as “Total Mobilization.” Granted, the Total Mobilization against the Coronavirus was handled by the Liberal Capitalists with sheer incompetence, especially since their regimes refused to implement the sort of measures employed by the PRC until COVID-19 breached their borders. The conclusion itself can be supported by the Russian COVID-19 vaccine being referred as “Sputnik V” in reference to the Sputnik satellite and inviting the comparison of the development for a vaccine to the Cold War-era space race. This too is discernible among the space race-like pursuits of Moderna, AstraZeneca and Johnson & Johnson to rapidly develop a vaccine in 2020 and try to have it readily available by 2021. The same can be said for the expectation among Liberal Capitalists that a “V-Shaped Recovery,” comparable to the 1981-1982 Recession that Paul Volcker resolved by applying Monetarism, fell short of their speculations of a “limited war.”

Even so, the Internet has also allowed for all kinds of quack therapeutic methods of “curing” the symptoms of COVID-19. Everyone who has peddled them did so in order to exploit the Pandemic itself for the sake of Kapital. The fact that such people exist on the Internet is not the worst part; it is the fact that there have been anecdotal and actual cases of others taking their suggestions too seriously. A similar incidence has occurred in the attempts among some to create artificial scarcity of products ranging from semiconductors to toilet paper in order drive a higher

Price for Kapital. The recent shortage in electronics dependent on semiconductors like the Sony PlayStation 5 is arguably the most notorious example.

Another problem associated with the World Wide Web (WWW) is the proliferation of Malware. Even though Malware has been around as far back as the Death of Bretton Woods, it originally lacked the ability to spread across computer networks. Prior to the WWW the only way Malware could spread is through the insertion of infected floppy disks into uninfected computers. The first one to demonstrate the potential for Malware to spread across international borders unimpeded was the “©Brain” developed by the Farooq Alvi brothers Amjad and Basit of Pakistan.

After the advent of the WWW, whole arsenals of Malware have proliferated and grown increasingly destructive since the turn of the 21st century, creating a sort of arms race that has yet to destroy the whole WWW. Viruses, Worms, Trojans, Ransomware, Adware, Spyware, Rogue Software, Logic Bombs and so forth have been employed by State and Non-State Actors for all kinds of motives. Those who develop Malware and those who develop their countermeasures serve as additional contributors of Total Mobilization. The arms race in Malware is no different than the World War II arms races between tanks and antitank weapons or aircraft and anti-aircraft weapons. It deserves to be treated as an issue of national defense rather than a policing matter.

Together with the proliferation of trivial information and the inability of humanity to adapt without experiencing sensory overload, it is becoming increasingly necessary to investigate and assess the significance of the “Splinternet.” Rather than having everyone from every nation on Earth using the same computer networks, the Splinternet involves reasserting national sovereignty in the digital realm through Intranets, which are essentially nationalized computer networks. An Intranet offers all of the advantages that a secured national border provides offline. Such a computer network is autarkic insofar as it can continue operating despite being cut off from the broader Internet and has better chances of defending itself against Malware and subversive disinformation. There is also the potential for an International Internet to exist alongside the various Intranets of the Splinternet, except its size and composition would be smaller and administrated by an international body under a Socialist world order. Until such a world order can be created for the Work-Standard, the Socialist Nation will be maintaining its Intranet and devising software against Malware attacking the flow of information. The potential for a Splinternet on its own has always been a possibility since the WWW was made available to the general public.

It is perfectly justifiable to be concerned about one’s privacy as governments continue developing even more sophisticated systems for digital surveillance. Nobody really wants to be spied on if they have not done anything illegal within their own online presence. In fact, prior to the 9/11 attacks, the technology for addressing privacy concerns while controlling the flow of information for Malware, propaganda and disinformation has existed as far back as the late 1990s. This is the “ThinThread” software developed by the National Security Agency (NSA), its capabilities still being exceptionally worthy of the Work-Standard. A 2007 *Baltimore Sun* article listed a few notable specifications:

- *“Used more-sophisticated methods of sorting through massive phone and e-mail data to identify suspect communications.”*
- *“Identified U.S. phone numbers and other communications data and encrypted them to ensure caller privacy.”*
- *“Employed an automated auditing system to monitor how analysts handled the information, in order to prevent misuse and improve efficiency.”*

- *“Analyzed the data to identify relationships between callers and chronicle their contacts. Only when evidence of a potential threat had been developed would analysts be able to request decryption of the records.”*

As the article in question pointed out, ThinThread was abandoned after 9/11 in favor of TrailBlazer software, which later turned out to be inefficient and lacked the aforementioned benefits to privacy. This, along with the retiring of the F-14D Super Tomcat, remains as one of the controversial policy decisions by the Jeffersonians on the basis of “Planned Obsolescence.” It is a lot easier to call any technology ‘obsolete’ if it does not serve Kapital.

Technology and the War Effort (Pt. 1 of 3)

War is politics. The Military-Industrial Complex is one of the products from the State of Total Mobilization. When it became apparent that industrialization had military implications, nations began to field massive armies and navies from the 19th century onward. The early 20th century in particular saw mass production enables the conduct of modern warfare, as characterized by the two World Wars. Prior to the 20th century, war was understood to be tests of national resolve and feats of heroic daring. While such values have no doubt been able to persist long after the 20th century, the two World Wars alone had revealed another downside of the State of Total Mobilization. Now, combat resembles a wholesale slaughter of manpower and infrastructure the likes of which have horrified the Totalities that experienced it.

The mass production paradigm of the Military-Industrial Complex in recent decades has since wavered due to changes within the broader Manufacturing Sector. The shift from mass production to mass customization after the Death of Bretton Woods resulted in entire Military-Industrial Complexes reorienting their capabilities. The end of the Cold War, that latter half of the Second World War, did witness a change in the conduct of modern warfare. Nowadays, it is difficult to envisage how a nation, even a large one, could sustain a long-term war effort without relying on superior firepower through overreliance on Technology. How the Military-Industrial Complex conducts itself, especially whether the Totality of any nation has any influence on the production processes of weapons in peacetime, depends on whether it operates under Production for *Profit*, Production for *Utility*, and Production for *Dasein*.

An Arms Race of Military-Industrial Complexes

In Production for *Profit*, the Military-Industrial Complex generates Kapital from transactional sales of armaments and ordnance to the Parliament, followed by security and police forces and then the civilians under current firearms legislation. The Military-Industrial Complex is about as integrated into the Market as it can be within the legal parameters of a Market/Mixed Economy. Parliament awards contracts to armaments manufacturers to develop and produce weapons for its military as part of its own contributions to the Empire of Liberty. If the Liberal Capitalist nation in question is also a member-state of NATO aligned with the Empire of Liberty, its Parliament is supposed to be spending 2% of their annual Gross Domestic Product on their Military-Industrial Complex. In practice, however, the Empire of Liberty has been defended by the Americans and more specifically the Jeffersonians that helped usher it into existence.

The Military-Industrial Complex under Production for *Profit* is predominantly comprised of privatized commercial firms that collaborate with the armed forces of Parliament. This relationship has witnessed a proliferation of privatized commercial firms that are contracted to supplement the armed forces. With personnel consisting of former members of the armed forces they serve alongside, these “Private Military Contractors (PMCs)” have become increasingly prominent in recent decades. The operations of most PMCs are distinct from those of Mercenaries, whose presence in the Empire of Liberty is less pronounced than it was in the previous century.

Concerns about war profiteering and governance of the Military-Industrial Complex in the wake of the First World War had resulted in Production for *Utility* devising its own conception of the Military-Industrial Complex. Similar to the Military-Industrial Complexes under Production for *Profit*, the ones under Production for *Utility* are given greater oversight by the Parliament. Here, the purpose of a Military-Industrial Complex is to produce the armaments and ordnance required by the armed forces with minimal considerations for the Profit Motive or any of the distinctive characteristics found in Production for *Profit*.

One notable trait is a reduced presence of privatized commercial firms and PMCs supplementing or supporting the armed forces. Instead, the armed forces actively control the Armaments Industry, manufacturing the ordnance and hardware that would be required for its own purposes. Parliament also maintains oversight over the Military-Industrial Complex in Production for *Utility* as it would in Production for *Profit*, except its ability to influence the Military-Industrial Complex is more direct and impacted by how much Kapital can be allocated to the armed forces.

Yet one cannot help but wonder whether the Civil Society of a Liberal Capitalist nation actually has enough oversight over the Military-Industrial Complex through the Market in Production for *Profit* or the Parliament in Production for *Utility*. Unlike other economic activities, the ones found in the Military-Industrial Complex are not influenced by the spending habits of Civil Society. Armaments sold to civilians are not necessarily the same as those sold to a military. Sometimes, the Parliament may not see eye to it with Civil Society regarding how much Kapital is being allocated toward the Military-Industrial Complex. The political process of Parliamentary Democracy tends to be too formalistic and procedural to foster the civil-military relations, especially since the armed forces are not represented in any meaningful way outside of a purely bureaucratic function of Parliament.

Lastly, in Production for *Dasein*, the Military-Industrial Complex recognizes why wars have been waged and will continue to be fought, even among the nations of a Socialist World Order. The Political Organization Problem influences its decision-making because there are real people with Vocations devoted to the production of weapons for the armed forces and self-defense equipment for all law-abiding citizens. War itself demands a distinct form of Arbeit and Geld where both the State and Totality must wield full Command Responsibility as part of their *Right to Military Sovereignty*, the power to control the size and composition of their Armed Forces.

As with politics, economics and finance, the conduct of war shall be redefined to suit a more Socialistic form of combat with the Work-Standard. Regardless of whether there is the threat of war or a real war, the Socialist Nation must *never* deviate from the vast majority of its Arbeit and Geld toward armaments production. If the Military-Industrial Complex can build the biggest arsenals in the world, the VCS Economy and the Reciprocal-Reserve Banking System should also be able to sustain themselves, the State and the Totality in particular. Everyone needs to live within their own means of production in peacetime; the Socialist Nation must be capable of doing the same in wartime.

There must be Sustainability in the Quality of guns and butter produced and the Frequency for those same guns and butter. In a functioning Council Democracy, the Totality holds political and economic sway over how much of their Arbeit and Geld should be devoted toward national defense spending. They have every political-economic right to demand their State Delegates inside the State Council of their State to hold the Armaments and Energy Industries accountable. If the Totality can afford weapons and ammunition under the Work-Standard, we should be able to afford a single loaf of bread and some butter at our local grocery. The Totality should even be able to afford refrigerators, computers, electronics, automobiles, and all the other everyday appliances. They should also not be queuing in long lines and finding empty store shelves because the Armed Forces is needlessly spilling blood in their name.

On Armaments and Energy Production

In the VCS Economy, the Armaments and Energy Industries constitute the Military-Industrial Complex. It is not under the jurisdiction of the Ministries of Economics and Finance, even though they do tend to create Actual Arbeit and Actual Geld during peacetime and only Military Arbeit and Military Geld in wartime. It is also not under the Ministries of War,

Intelligence, and Justice, the Socialist Student Economy (SSE), or even the People's Party, and its paramilitaries, which has happened to be the case of Production for *Utility*. Those Industries fall under the Command Responsibility of Ministry of Energy & Armaments Production.

The Armaments Production half of the Ministry manufactures weapons for the General Staff at the Ministry of War and has licensed gunsmiths devoted to creating weapons for civilians and police. This side is in close communications with the State Commissariats of Wages and Prices on setting the scales of "*Military Arbeit*" produced by the armed forces within the Socialist Nation and the "*Military Geld*" that the Ministry itself is generating for the Life-Energy Reserve.

It also has whole battalions of military scientists, engineers, technical and research staff working at well-respected government institutions dedicated to military research and development as their Vocations. The students from the SSE at the Ministry of Education are allowed to join the professionals with the express approval of their parents (if aged between 16 and 17 years) or with the signed authorization from a state commissar as part of their Vocation (aged between 17 and 34 years). All arrangements, including the students' room and board, are administered by "Group D" of a Kontor's Office VI ("Priority Requisition").

The other half, the Energy Production side, is responsible for the Socialist Nation's power plants and electrical substations, hydroelectric dams, fuel refineries, and the military's logistical system and their associated logistical systems. It oversees the production of strategic resources like synthetic fuel, rubber, plastics and fabrics. It is also the authority that decides whether the Socialist nation should begin rationing those resources in wartime conditions. Ministerial procurement of natural resources for the Energy and Armaments Industries are coordinated by Office III ("Equipmentalities") of all Kontore. Office III sells the raw materials as *Equipmentalities* in bulk. Only in wartime is the Ministry of Armaments & Energy Production allowed to be given first priority before the Ministries of Economics and Finance.

On Military Technology

Total Mobilization has given every nation, including our own, the Technology bestowed to humanity by the Figure of the Arbeiter. Production for *Dasein*, unlike Production for *Profit* and Production for *Utility*, recognizes that the Arbeiter's Technology is capable of inflicting untold levels of destruction. The effects can be seen ricocheting across time and space, affecting future generations. Modern warfare tends to leave physical and psychological scars on military personnel and the environment. Militaries around the world have grown to recognize the risks of PTSD (Post-Traumatic Stress Disorder) since it historically appeared as "Shellshock" during the First World War. The environmental scars, however, are even worse because the whole world is affected.

There are untold numbers of UXOs (Unexploded Ordnance), explosives that failed to detonate and are simply left on the ground long after a conflict. A decades-old UXO could be waiting to go off beneath the city street in front of somebody's apartment building, demolishing the surrounding walls and killing anyone caught in the blast radius. There may even be a more recent UXO, dropped from an enemy bomber and burrowed into land that was later redeveloped as a farm, a ranch, or even a children's playground. Neither the farmers and ranchers nor their children will be aware of the dangers until it is too late.

There are buried landmines which have been forgotten and still active in the countryside of certain countries. Anyone who haplessly steps on them are going to get their legs blown off. In some places, it is going to be long ambulance ride before they make it to the nearest hospital. Only a few nations are capable of manufacturing landmines, yet nobody really knows how many are still left in the ground and even mapped their precise locations in some cases.

There are sunken warships and merchant vessels full of military munitions and equipment, left to decay and turn to artificial reefs for aquatic life. Some of these ships were carrying petroleum inside their cargo holds. The ship in question had been designed well-enough to allow the Petroleum to begin seeping out of their barrels and into the oceans. Worse, there have also been a number of seamines from World War II that have been found drifting in the water, ready to blow up a civilian cruise ship or even a merchant tanker ship carrying lots of Petroleum.

And there are even chemical weapon stockpiles that have been carelessly disposed of by opposing forces in the immediate cessation of hostilities. Such chemical weapons can potentially seep out of their shells, releasing deadly agents capable of killing local wildlife and rendering the surrounding area uninhabitable for both animals and humans. Then there is the infamous “Agent Orange” deployed by US military planes during the Vietnam War, which has caused permanent damage and cancers to friendly and enemy forces alike. Today, there are international treaties forbidding the manufacturing, stockpiling and deployment of chemical weapons in combat.

These are just several examples of the number of problems which our Military-Industrial Complex must be able to come to terms with. If the Socialist Nation is capable of spending a massive arsenal of such potentially dangerous weapons, it should also be able to develop ways of healing the scars of war. Not just provide adequate healthcare for those affected by PTSD, but also combat the environmental damage created by modern warfare. The Socialist Nation must be willing to sign and enforce international treaties related to the production of chemical and biological weapons, with the hope of eventually addressing the problem of nuclear weapons. Unlike chemical and biological weapons, the LIEO (Liberal International Economic Order) were never able to resolve the issue of nuclear proliferation, especially when it came to understanding why nations pursue any nuclear program.

Why should any nation spend obscene amounts of Geld on a nuclear program under the Work-Standard? What is the Intent behind the decision? Is it because of the need to find a better source of energy for producing electrical power? Is it because of a need to deter neighboring nations from attacking them? Is it because the nation in question is interested in closing the nuclear fuel cycle? Or is it following up on the Noosphere research of Soviet biogeochemist Vladimir Vernadsky and French philosopher Father Pierre Teilhard de Chardin, SJ, and figuring out whether nuclear energy is the missing alchemical link behind creating the “Philosopher’s Stone?”

The first motive is driven by concerns over cleaner sources of energy, the second by historical enmities, the third by the pursuit of Autarky, and the fourth suspicious and outright eccentric. The fourth motive in particular is probably unrelated to the other three, deserving a few periodic visits from international nuclear inspectors sent by the World State Organization (WSO).

As outlandish as this may sound, it has been known among scientists for decades that one can theoretically turn one base metal into another base metal. The only real problem is whether anyone has been able to implement it on an industrial scale. Any Military-Industrial Complex is more than welcome to prove the existence of the Noosphere. However, this Author remains confident that the Totality of any nation (be it Liberal Capitalist or Socialist) would be more interested in devoting much of its efforts toward more practical endeavors.

Prelude to Financial Warfare

Returning from the sensational to the cold reality back on Earth, the Compendium has yet to provide a serious investigation into the Work-Standard’s relationship with the emerging concept of “*Financial Warfare*.” It has been proffered by all kinds of people since the 20th century that various countries around the world accidentally discovered the dark arts of financial combat throughout World Wars I and II. Everyone senses and perceives the concept of Financial Warfare

in Political Science, Economics and Finance, but nobody on Earth has yet to comprehend the concept from the standpoint of Military Science. Since Financial Warfare has yet to be taken seriously, the implications that it presents to the Work-Standard is a topic which cannot be ignored.

The SMP Compendium has provided some anecdotal evidence based on the subsequent sophistication of Fintech (Financial Technology) that coincided with the Death of Bretton Woods in the 1970s. I have also argued that it may be related to degeneration of the Soviet Union and Eastern Bloc countries and their eventual collapse in 1989, 1990, and 1991. By revisiting the Cold War from a counterfactual perspective with the Work-Standard, we can finally begin to make sense of the Holocaust, the tales of Nazi and Japanese Gold, counterfeit gold-backed bearer bonds, Petrodollars, financial contagions, secret offshore accounts. More importantly, the SMP Compendium can even argue that the Y2K Bug, Dot-Com Bubble, 9/11, and Great Recession all contributed to the economic and financial problems plaguing the Western world in the 2010s.

In the next part of this Entry in the SMP Compendium, we will be exploring in great detail about why the Work-Standard is related to Financial Warfare, including its historical precedent, its feasibility, and its implications. When the Totality of a Socialist Nation begins to live within its own means of production, everyone will slowly realize why their own Technology must be imbued with a shared set of cultural and traditional values.

Technology and the War Effort (Pt. 2 of 3)

On a Russian State cultural media website, there was an article about the Soviet Ruble that featured a Josef Stalin quote which reads:

“If a Socialist country pegs its Currency to a Liberal Capitalist Currency, then this Socialist country must forget about an independent and stable financial and economic system.”

That would be the shortest summarization of Financial Warfare for Military Science. Financial Warfare is the Art of combining the concepts of Socialist Finance and Socialist Technology already discussed in the SMP Compendium to create “Socialist Fintech.” Socialist Fintech is to be wielded and understood by all citizens who actually do any kind of meaningful economic and financial activity in any capacity and are devoting themselves to the national defense against Imperialism.

There are two kinds of Imperialism in this world: the “Imperialism” of Liberal Capitalists and the “Social Imperialism” of other Socialisms. One does not become a true Anti-Imperialist by simply reading Vladimir Lenin’s *Imperialism, The Highest Stage of Capitalism*. Either one forges a United Front between Nationalists and Socialists or one does not. It was Carl Jung, not Karl Marx, who contributed to Psychology’s perfect argument for United Fronts against Imperialism: The Socialism of every nation is its “Masculine Anima,” its Nationalism the “Feminine Animus.”

A true Socialist depends on Nationalism to achieve the fullest expression of their Socialism. A true Nationalist depends on Socialism to achieve the fullest expression of their Nationalism. Like a woman not in touch with her Animus, the Socialist without Nationalism is so overburdened by Schuld that they will betray the Nation by projecting personal impotence and class egotism onto the Totality. And like a man not in touch with his Anima, the Nationalist without Socialism will betray the Nation and the working class for the right amount of Kapital.

Victory in the conduct of Financial Warfare is measured by whether the Nationalists and Socialists are being committed to the fullest and purest expression of their Totality’s Authentic Dasein within their economic and financial actions. It is also measured by the extent to which they strive to uphold defend the social, cultural, traditional, ethical, theological, and political values of their nation without surrendering to corrupt notions of wartime opportunism and profiteering. This SMP Compendium entry is for the daring, courageous and selfless Socialist enough to build Solidarity with the equally daring, courageous and selfless Nationalist against Imperialism.

“Socialism in Words, Imperialism in Deeds”

Technology mobilizes revolutions to become the continuation of war and war to become the continuation of revolution. The Industrial Revolution in the 19th century introduced the Total Mobilization of Production for *Profit* as well as the Production for *Utility*. Both enabled the industrialization of the Western world between the Napoleonic Wars and the World Wars. Western nations, armed with arsenals of economic and military firepower, overwhelmed and subjugated the rest of humanity. Colonies sprang up throughout the Americas, Africa, Middle East, and Asia, the non-Western Totalities forced to emulate the ways of living of the Western Imperialists. These Western Imperialists did not want to raise the standard of living for the rest of humanity. They wanted the vast riches of the world to sustain their increasingly extravagant lifestyle choices.

Liberal Capitalists struck a gold rush of Kapital to be had by financing the manufacture of weapons, research and development of Military Technology, and ways to enhance the Total

Mobilization of Production for *Profit*. The Marxist Socialists, in an attempt to win power, became Reformists called “Social Democrats,” laying the groundwork for the Total Mobilization of Production for *Utility* towards the end of the 19th century. As the number of places to conquer dwindled, the Western Imperialists slowly convinced themselves to turn economic and military firepower on each other. They stoked the flames of enmity among the European Royal Families, the Houses of Nobility, and the Catholic Church. International finance, the majority of these bankers and investors scattered throughout the Western world, continued to help the Liberal Capitalists expropriate the Arbeit and Geld created from the technological revolutions.

The turn of the 20th century saw the armed race among the European colonial empires. America, Italy, Japan, Russia, and Prussia, all of them latecomers to this worldwide tragedy, succumbed to the temptation of building their own empires. In America, the seeds of Thomas Jefferson’s “Empire of Liberty”—what we know today in the 21st century as the “Liberal International Economic Order” (LIEO)—were being sown by his Liberal Capitalist heirs of the Democratic-Republican Party, the “Democratic and Republican Parties.” In Prussia, Chancellor Otto von Bismarck spent his final moments lamenting how Prussia and the German-speaking world were being subverted by Kaiser Wilhelm II and his delusions of grandeur. Italy devoured the rotting carcass of the ailing Ottoman Empire. Czarist Russia became alienated by Prussia’s inability to resist and confront Wilhelm II. Japan, reasserting itself for the first time since the “Warring States Period,” invaded and subjugated the peoples of Korea and Taiwan, its crosshairs set on Siberia and Mainland China.

All the benefits of Total Mobilization were then being repurposed to wage wars that left millions of dead, millions more maimed and traumatized, and entire livelihoods destroyed in what amounted to a massive family feud among Europe’s Royal Families. This family feud dragged the whole world into the throes of a “Great War,” the Royal Families armed with more than enough Kapital and Schuld to turn Europe into a continental warzone. 1913 and 1914 were the years of living dangerously for the workers of the world. Socialists and Nationalists slowly began realizing that they did in fact were pursuing the same goals. 1914 could have played out differently, had it not been for the assassination of the Archduke Ferdinand.

These are the historical conditions which compelled Vladimir Lenin to write *Imperialism, the Highest Stage of Capitalism*. Lenin resented how Socialists and Nationalists in Europe were butchering each other on the battlefield, instead of opposing the Liberal Capitalists who profited from the death and destruction they caused in the trenches. Everything about the Art of Liberal Capitalist Finance is left unchanged since the First World War; what did change is the Technology.

Attrition Warfare under Financial Warfare

Neoliberalism has six strategies for financial combat operations: *earn all Kapital, save all Kapital, borrow all Kapital, lend all Kapital, invest all Kapital, spend all Kapital*.

- Earn Kapital with the *Taxation Rate*.
- Save Kapital with the *Interest Rate* and *Inflation/Deflation Rate*.
- Borrow Kapital with *Sovereign Schuld*.
- Lend Kapital with *Schuld Monetization*.
- Invest Kapital with *Government Bonds*.
- Spend Kapital with *government and consumer spending*.

Liberal Capitalist Financial Regimes operate on Production for *Profit* or Production for *Utility*. Everything depends on their Central Bank, their National Legislature, and their Head

of State creating the highest Quantity of Kapital for the lowest Quantity of Schuld under the Incentives of Supply and Demand. Both are normal practices for them in times of both war and peace. Anything will alter the balance between Quantity of Kapital and Quantity of Schuld. The Financial Regime capitulates when the “Six Alls” become untenable.

- Unsustainable Taxation Rates and Austerity Spending
- Unsustainable Interest and Deflation Rates or Negative Interest and Inflation Rates
- Rapid Diminishing of Financial Firepower by Stagflation or Hyperinflation
- Economic Recession or Depression
- Unpaid Government Bonds past their Maturity Dates
- Sovereign Default by Parliamentary Democracy

The Liberal Capitalist Financial Regime, through a combination of those above conditions, will eventually grind itself down, crashing and burning into the throes of what the International Monetary Fund calls “Sovereign Debt Restructuring.” It is interesting that the IMF’s Special Drawing Rights (XDR) also shares the same abbreviation with Sovereign Debt Restructuring. Most developing countries maintain some reserve of XDRs inside their Central Banks, which they can claim as Kapital in case of economic and financial collapse. The “Schuld,” however, involves conforming to what the dictates of the IMF and World Bank.

This is where the Financial Warfare of Socialist Fintech converges with Attrition Warfare. Socialist Finance employs six strategies to conduct financial combat operations: *Contribute Arbeit*, *Conserve Arbeit*, *Electrify Arbeit*, *Allocate Arbeit*, *Confer Arbeit*, and *Discern Arbeit*. Everything up to this point in the SMP Compendium can now be summarized into six sentences.

- Contribute Arbeit with the *Life-Energization Reciprocity (LER)*.
- Conserve Arbeit with the *Mechanization Rate and Attrition/Inaction Rate*.
- Electrify Arbeit with *Life-Energization Reciprocal Electrification (LERE)*
- Allocate Arbeit with *Reciprocal-Reserve Banking System*.
- Confer Arbeit with *National-Socialized Financial Instruments (NSFIs)*.
- Discern Arbeit with the *Transvaluation of all Arbeit*.

A Socialist Financial Regime will experience its own set of financial difficulties. It too is capable of grinding itself down, thanks to Financial Warfare relying on aspects of Attrition Warfare. The Work-Standard will be able to register these following effects for the Totality:

- Excessively low Mechanization Rate causes Currency Depreciation “Death by Overwork” due to an unsustainable Attrition Rate
- Excessively high Mechanization Rate causes Currency Appreciation and “Death by Inactivity” due to an unsustainable Inaction Rate
- Rapid diminishment of financial firepower due to deteriorating Quality of Arbeit
- Economic Recession by Currency Appreciation
- Unrealizable NSFIs past their Actuality Dates, especially for Work-Plans and Work-Tenures
- Unsustainable Taxation Rates, Austerity Spending, and Sovereign Default by Council Democracy

Notice how the sixth and final effects pertain to Taxes, Austerity, and Sovereign Default? This can also to a Socialist Nation by means of its own Sociable Currency. But unlike the Liberal Capitalists, the Nation has to mitigate it by always striving to live within their own means of production because the Totality controls the means of production through the State now. There must be fiscal discipline and balanced budgets from both the State and the Totality. Anything less will cause the Socialist Nation to begin accumulating Sovereign Schuld.

Economic Warfare under Financial Warfare

The Market/Mixed Economy and the Planned/Command Economy engage in financial combat in everyday economic transactions. Both are capable of waging wars against each other through trade, goods and services as well as even their currencies. Knowing how the Market/Mixed Economy operates and how the Planned/Command Economy are crucial in order to exploit potential vulnerabilities or plug in defensive gaps.

Under Supply and Demand, the Parliamentary Democracy issues Direct Orders to Market/Mixed Economy in the form of Incentives. Financial markets, privatized commercial banks, insurance and investment firms allocate Kapital and Schuld to wherever they are needed. Kapital is created from the Market/Mixed Economy's Natural Sector harvesting natural resources and refining them into Commodities, its Industrial Sector converting the Commodities into finished goods for the Service Sector to provide everyday services. Its Information Sector has advertising agencies, computer programmers, and computer scientists and engineers enhancing the greatest Quantity of Kapital for the lowest Quantity of Schuld. Its Government Sector offers "government contracts" to the Military-Industrial Complex of the Liberal Capitalist regime to serve its Parliament.

Under Command and Obedience, the Council Democracy issues Direct Orders to the Planned/Command Economy in the form of Intents. Kontore, State Banks, National-Socialized Banks, and State Commissariats allocate Arbeit and Geld to wherever they are needed. Everything else has already been explained in the rest of the SMP Compendium. What can be stated here are two considerations of relevance to Financial Warfare: all Planned Economies and Command Economies are not equal; and that the deployment of Socialist Fintech has tactics and operational capabilities exclusive to Socialism and the Work-Standard in particular.

Are there any differences between Planned Economy and Command Economy? How someone chooses to answer this question is pivotal to understanding how they employ "combined arms tactics and operational maneuvers." For an American in 1991, the question is comparable to asking if they prefer the "*United States Constitution*" or the "*Articles of Confederation*." For a Russian in 1991, the question is comparable to asking if they prefer the "*Union of Soviet Socialist Republics*" or the "*Union of Soviet Sovereign Republics*."

Legally speaking, a "United States of America" and a "Union of Soviet Socialist Republics" will opt for Command Economy. There is a "*Unified Socialist Student Economy*" (SSE), a "*Unified Tournament for all Federal, State, Municipal and Public Enterprises*," a "*National Currency*," a "*Council State with regional and local governments*," and "*low Economic Foreignization*."

Meanwhile, a "Confederate States of America" and a "Union of Soviet Sovereign Republics" will opt for Planned Economy. There are several "*Joint SSEs*," two or more "*Joint Tournaments among Foreign and National Enterprises*," two or more "*National Currencies*," the Council State coexisting with a "*Deep State*," and "*high Economic Foreignization*."

Both Command Economy and Planned Economy are capable of engaging in economic combat. The Command Economy prefers more overt operations involving rapid breakthroughs, superior financial firepower, and direct engagements. It can also conduct cloak and dagger infiltration and subterfuge, but not as effectively as a Planned Economy. The Planned Economy prefers traveling light to take advantage of the element of surprise and relying on camouflage to conceal its own movements. It can be more direct in its economic activities, but its dependence on Economic Foreignization due to geography, language, large ethnic and sectarian minorities is where it falters when compared to the Command Economy. The “VCS Economy” discussed throughout the SMP Compendium is capable of accommodating both.

Some locations may benefit more from the Work-Standard than others. “Utah,” “Atlantic City,” “Las Vegas,” “Boston,” “Panama City,” “London,” “Switzerland,” “Vatican City,” “San Marino,” “Andorra,” “Gibraltar,” “Belfast,” “Königsberg” (Kaliningrad), “Prague,” “Frankfurt am Main,” “Israel and Palestine,” “Leningrad” (St. Petersburg) and “Vladivostok,” “Ukraine,” “Poland,” “Hong Kong” and “Macau,” “Shenzhen” and “Shanghai,” “Okinawa,” “Tokyo,” “Singapore,” and “Hawaii.” These places on the world map are actually restricted in terms of capabilities, assuming their Mode of Production is either Production for *Profit* or Production for *Utility*. Production for *Dasein*, however, will cause all of these places to change how they conduct their economic activities. But at the same time, it is also possible that each of them may have some untapped potential which only the Work-Standard can unlock for them.

Financial Warfare, when combined with Economic Warfare, opens the door to many possibilities. There are the usual methods where the Planned/Command Economy can deny access to Equipmentalities or find ways to covertly access Equipmentalities. A Sociable Currency is in itself capable of becoming the ammunition for economic weapons like luxury and consumer goods, everyday home appliances, computers and electronics, alcohol and tobacco. Examples include Cuban cigars and rum, French champagne and women’s apparel, German firearms and sportscars, Russian caviar and armored vehicles, Persian rugs, Japanese anime and manga, Swiss watches, American movies, television shows, and video games. The effectiveness is measured by its propaganda value as instruments of power projection. The countermeasure here is to come up with sufficient alternatives for the whole nation.

Electronic Warfare and Cyberwarfare under Financial Warfare

In the previous century, Electronic Warfare was more about trying to find ways to jam or interfere communications and radar capabilities. Aircraft and vehicles have been designed to do just that, in addition to providing effective countermeasures. Financial Warfare enhances Electronic Warfare by addressing the influence of unmanned vehicles and aircraft than be piloted remotely or automated. Since they will no doubt rely on frequencies between the unmanned vehicle and the machines controlling them, it may be possible to conceptualize ways to interfere with their capabilities because there will be no “Internet-of-Things” (IoT) in the Socialist world order.

Cyberwarfare under Financial Warfare has its physical offline component and digital online component. The Planned/Command Economy may have an Information Sector devoted to the creations of Digital Arbeit and Digital Geld on the national Intranet. The national Internet, despite being controlled by the World State Organization (WSO), has Enterprises from different nations creating Digital Arbeit and Digital in real-time transactions. Computer malware and spyware may no longer be issues in this “Splinternet,” but this changes in the event of a cyberwar. A cyberwar will be focused on infiltration, sabotage, breakthrough, and destruction of computer networks, confusing the enemy and harassing them at their every move. It is possible that the

WSO's international Internet, "Heliopolis," may become a digital battleground for control of that digital realm in the event of a cyberwar.

Both Electronic Warfare and Cyberwarfare, it should be prefaced, are currently limited under Liberal Capitalist conceptions of Finance. Socialist Fintech can be vulnerable to either or both if the Socialist Nation is not already aware of this. Investing in cyberdefenses and cyberweapons may be more expensive in terms of manpower and resources. Most cyberweapons fielded by today's militaries have never been employed in a large-scale conflict. It is up to the Totality and their Council State to decide how much they should be dependent on digital technologies, their Socialist Fintech another matter related to their own digital *Wehrhoheit* (Military Sovereignty).

Worldview Warfare under Financial Warfare

("How the Work-Standard turns Political Warfare, Information Warfare and Psychological Warfare into a Unified Grand Strategy")

Saving the last of this SMP Compendium for one of the more theoretical concepts, Financial Warfare is capable of synthesizing Political Warfare, Information Warfare, and Psychological Warfare into a single unified grand strategy. The best way to refer to this grand strategy is probably "Worldview Warfare," because the latter three forms of warfare deal with how people perceive and interpret themselves, other people, their government and its policies. Another aspect of all three is how they alter everyday perceptions by either manipulating them or encouraging them. All of the other forms of prior to this discussion can now be appreciated for what they are with Worldview Warfare and Financial Warfare being fully synchronized.

The Work-Standard, if applied in actual practice, is malleable enough to conform to the national culture, traditions, languages, social customs and norms of every nation. The Socialism of any nation is about as powerful and influential as the manner in which it conducts itself on the world stage. Building good relations and recognizing the multiplicity of different Socialisms around the world is key. The most aggressive decision is not always going to be the wisest course of action. Certain situations require specific military tactics and diplomatic ploys.

A nation may broadcast radio and television signals to other countries in order to present a different image of themselves. Their Totality may publish works of fiction or non-fiction that cast an entirely different presentation of past historical events. The possibility is also there for them to exploit political polarization and subvert everyday expectations and experiences.

A nation may adhere to a specific interpretation of Socialism exclusive to itself. Even if that version has its own historical experiences and expectations for the future, understanding them can also serve as a great way to understand one's own Socialism. If one does not appreciate a particular version of Socialism, they can always provide their own conception from within the framework of their culture, tradition, language, history, social customs and norms.

Letting students of the SSE receive their education abroad may provide another avenue of helping them understand their own Socialism. Those experiences early on in life are helpful if the current world order is Socialist, where international law falls under WSO legal jurisprudence.

Participating in international Tournaments can be a great way to demonstrate national prowess. Anyone from a Planned/Command Economy can express themselves and their nation based on specific dress, cuisine, philosophy, methods, and so on. Again, this depends on whether the WSO is allowed to exist as part of a Socialist world order.

The concept of "Intellectual Property" will continue to exist in a Socialist world order as a sort of propaganda weapon to manipulate the cultural attitudes of other nations. Imitations and

knockoffs may be the crudest form of flattery, or they can be counterfeits intended to harm people and deprive them of their Arbeit and Geld.

Always ensure that the Planned/Command Economy of their nation stays true to their Authentic Dasein. No Individual, no Class, no People, no State, no Church, and no Totality are perfect. Original Sin affects all of humanity, and the Catholic Church is another great way to build diplomatic relations. The Pope may decide to canonize a Saint from the Socialist nation. It never hurts to allow Catholic laity from other countries to go on religious pilgrimages.

I can keep providing more examples, and there are plenty of case studies to choose from. It should be clear by now that there is no exact Science behind the Art of Socialist Finance. How the Fintech is designed, how it functions and how it is implemented can reflect the national identity of a Totality. Whether it is for peace or for war is left to the discretion to the Totality of every nation. The Work-Standard and the rest of the SMP Compendium can be remolded to suit different national contexts, identities, and personifications. The need for authenticity in the State of Total Mobilization will always be great, even in a world order without Liberal Capitalism. The 20th century never ended; it lives on through the 21st century.

Technology and the War Effort (Pt. 3 of 3)

“Free to Choose?”

“[Economic] Socialization does not mean nationalization by expropriation or theft. It is not all concerned with nominal property, but rather with the techniques of administration. Buying up industries right and left for the sake of some slogan, and handing them over to administrative bodies incognizant of the ways of large enterprises instead of leaving them to the responsibility and initiative of their owners, is the surest way to pervert true Socialism. The Old Prussian method was to legislate the formal structure of the Total Productive Potential [Read: peg the national Currency to the Work-Standard] while guarding carefully the right to property and inheritance, and to allow so much freedom to personal talent, energy, initiative, and intellect as one might allow a skilled chess player who had mastered all the rules of the game. This is largely how it was done with the old cartels and syndicates, and there is no reason why it could not be systematically extended to work habits, work evaluation, profit distribution, and the internal relationship between planners and executive personnel. [Economic] Socialization means the slow, decades-long transformation of the worker into an economic civil servant, of the employer into a responsible administrative official with extensive powers of authority, and of property into a kind of old-style hereditary fief to which a certain number of rights and privileges are attached. In Socialism the economic will remains as free as that of the chess player; only the end effect follows a regulated course.

At the moment people are unaware of this fact, so much so that both parties regard the Constitution as the decisive factor. But it is not a question of laws, it is a question of personalities. If the labor leaders are not able to demonstrate very soon the superior statesman-like skills required of them, others will take their place. In a political system that intentionally blurs the distinctions between workers and administrators, assuring each qualified individual, from menial laborer to foreman and corporation head, a secure career—in such a system a born statesman can see to it that the goals of conservatives and proletarians alike, the complete nationalization of economic life by legislation rather than expropriation, are finally combined into one.”

-Oswald Spengler, Prussianism and Socialism, ca. 1919

The adoption of Socialism and the abandonment of Liberal Capitalism is like dancing on a tightrope that only professionals in the Prussian sense can pull off. The journey bears an uncanny resemblance to Philippe Petit’s walk across the Twin Towers of the World Trade Center in 1974, one year after the death of Bretton Woods. Hundreds of meters (or ‘thousands of feet’ for Americans) above the ground, Petit did his performance in the pursuit of a self-imposed challenge. Up there, one wrong move and Petit would have become the “Falling Man” decades before 9/11. The Falling Man of 9/11, meanwhile, spent his final moments that morning by being the “Hanged Man Arcana” from a Tarot deck.

Hundreds of spectators created a traffic jam shortly after 7:15 A.M. in the streets 1,350 feet below as they watched the black-clad figure outlined against the gray morning sky tiptoeing back and forth across the meticulously rigged 131-foot cable.

Finally, after perhaps 45 minutes of knee bends and other stunts, Philippe Petit, balancing pole in hand, turned himself over to waiting policemen.

"If I see three oranges, I have to juggle. And if I see two towers, I have to walk," the professional stuntman explained afterward in heavily accented English, punctuating his sentences with a Gallic 'bon!'"

Mr. Petit was arrested by policemen of the Port Authority of New York and New Jersey and booked for disorderly conduct and criminal trespass.

But his performing days in New York apparently are not over. Late yesterday afternoon, the slight, blond man, wearing black ballet shoes, was released from custody at the direction of Richard H. Kuh, the Manhattan District Attorney.

Mr. Kuh, with the consultation of Parks Commissioner Edwin Weist Jr., made a deal with Mr. Petit to drop the charges in exchange for a free aerial performance in the city park 'for the children of the city.' [...]

In talking with reporters, the tightrope walker repeatedly insisted that his feat was done not for [Kapital] or [the Success that comes with it], but simply because the 110-story towers were there [as a challenge to contribute Arbeit].

"When I see two towers, I just want to put my wire across, bon!" he said, adding that he had pulled off similar stunts between the towers of the Sydney Harbor Bridge in Australia in 1973 and the spires of Notre Dame in Paris in 1971.

"Capitalism with Prussian Characteristics?"

It has often been asked as to whether markets will continue to exist under Socialism. Liberal Capitalists have consistently argued that the "market" cannot be abolished by a Socialist Planned/Command Economy, citing various historical cases where Socialist regimes had eventually been forced to establish them.

Is there a "market" to speak of under Planned/Command Economy, just as how there has always been a "command" under Market/Mixed Economy? What does the SMP Compendium have to say on this particular issue for the Work-Standard and Total Mobilization of Production for *Dasein*? We begin with a more obvious question: Is there anything to learn from NEP, Kadarism, Titoism, Birdcage, and Đổi Mới?

Новая Экономическая Политика ("New Economic Policy")

In the early years of the Soviet Union, Vladimir Lenin touted his "New Economic Policy" (NEP) with an Explicit Intent in mind. This Explicit Intent has gone on to become an Implicit Intent espoused by Russians during Perestroika and even by some under Vladimir Putin. Soviet Russia, unlike the Western world, needed to industrialize itself and assert Command Responsibility over the Commanding Heights of the nascent Soviet Economy. The NEP years represented an attempt at "Economic Rationalization" by trying to integrate aspects of "central planning" with a "state market." The Soviets had no other choice at the time: they were not as industrialized as the Western world and needed to help their *Rodina* (Motherland) recover from the First World War and the Russian Civil War. There was no other Socialist nation to help the *Rodina*: America was already under Jeffersonianism thanks to Woodrow Wilson; and

Germany, in its failure to challenge the reckless judgments of Kaiser Wilhelm II, was reeling from the Versailles Treaty and under the Liberal Capitalists who created the Weimar Republic.

It was during the interwar years that the Soviet Union emerged as a Planned Economy. Lenin insisted that NEP was meant to be a gradual process in the final years of his life. Unfortunately, NEP had its own set of flaws. Kapital still commanded the decision-making of the 'Kulaks' in the countryside and the 'NEPmen' in the cities. Like a precursor to the 'Material Product System' (MPS) later practiced under Josef Stalin, all of the problems of running any Planned/Command Economy emerged within NEP's implementation: '*Prodravvyorstka*' (Food Apportionment); 'Fordism-Taylorism'; 'Free Trade' (which became more problematic when Perestroika happened); and the 'Economic Calculation Problem'. The latter two have already been discussed, but the former two need to be scrutinized as bad policies.

Prodravvyorstka means that all food production is confiscated by the central government, in addition to a *Prodovolstvenniy Nalog* (Food Tax) on all food production. This particular policy was notorious for creating the stereotype of mass starvation under Planned/Command Economy. Anyone who dares to revisit it in a Socialist world order under the Work-Standard is failing to learn from history. It should not be too difficult to imagine the consequences of such a policy.

From 1921 to 1925, the Soviet Union suffered three famines that killed some 5,000,000-7,000,000. Another in 1932-1933 killed 7,000,000, giving rise to the infamous Holodomor. It was all pioneered by 'Fordism', the business model of Henry Ford, and its European cousin 'Taylorism' or 'Scientific Management'. Josef Stalin was fully aware of this, admitting that things could have gone differently in the last written work, *Economic Problems of Socialism in the USSR*. He could have rightfully blamed Leon Trotsky for encouraging the widespread suffering, but he could never seem to figure out what was needed to prevent this tragedy from ever having again.

Kadarism and Titoism

The problems of Soviet-Type Economic Planning (STEP) were made apparent to Hungary and the former Yugoslavia. Hungary implemented limited market reforms, creating a Planned Economy when it should have created a Command Economy. Yugoslavia tried similar policies and also created a Planned Economy, which was inevitable due to the presence of large sectarian and ethnic groups within its own borders. The former gave rise to "Kadarism," the latter "Titoism." Both operated as more advanced variants of NEP.

The official designation for Kadarism was called '*Új Gazdasági Mechanizmus*', which means "New Economic Mechanism" (NEM) in Hungarian. NEM rightly saw STEP as inefficient and tried to overcome its flaws without actually implementing an original alternative form of economic planning. Instead of "centralized planning," NEM touted a "decentralized planning" with disastrous consequence in light of later happened in the late 1980s.

Rather than a single methodology to determine prices, NEM favored three variants of pricing: "Fixed Prices," "Limited Prices," and "Free Prices." Some Prices were locked permanently into place without any considerations for actual economic conditions, while others were allowed to float wildly because the Hungarian Planned Economy foolishly tried combining the Incentives of Supply and Demand *and* the Intents of Command and Obedience. In practice, this resulted in the Hungarian Planned Economy being subverted by Liberal Capitalists.

Prosperity in the Hungarian Planned Economy was always measured in the Quantity of Kapital for the least Quantity of Schuld like in most Liberal Capitalist Market/Mixed Economies. The type of Total Mobilization chosen by its State was a combination of Production for *Profit* and

Production for *Utility*, which led to a confusion of priorities as to what should be worth more or less. Worse, the Hungarian Planned Economy was extremely dependent on exports, indicating that there was an imbalance in the Balance of Trades and Payments between Hungary and the Soviet Union. All of these issues demonstrate why Hungary never had a true Socialist Monetary Policy.

As for Titoism, Yugoslavia rightfully saw STEP as undemocratic and overly bureaucratic. The methods it chose, however, left so much to be desired in light of what later happened in the 1990s. The Yugoslav War could have been avoided. In the Yugoslav SSE, the “Youth Work Actions” were voluntarily organized not by the Yugoslav national educational system, but by local, regional, and national governments. This SSE mostly did menial tasks like building railroads, bridges and structures and not much else until the 1970s, when it was mostly involved in political and cultural festivities. The Quality of Arbeit was so poor that their own government saw the SSE as ‘cheap labor’ worthy of only a free holiday.

Enterprises were nationalized where the employees did the economic planning themselves and everyone received a share of the profits for themselves. There was no unified Council Democracy in the workspace; instead, there were “Self-Management Councils” that suffered from potential miscommunications and confusion in an already multiethnic and sectarian country. Unemployment was a huge problem in Yugoslavia: in the early 1960s, it was 7%; by the mid-1970s, it had doubled by up to 14%. Women in particular were discriminated, the average Yugoslavian woman more likely to be unemployed than her male counterpart because the Enterprises always fired them first before the men.

Massive Currency Depreciation was another major problem by the 1970s and 1980s. Hundreds of thousands of Yugoslavs illegally crossed international borders to Western Europe because Yugoslavia never had a true Socialist Monetary Policy to begin with.

The Chinese Birdcage and Doi Moi

The PRC and Vietnam were aware of the issues affecting the European Socialist regimes and the Soviet Union. Both nations are specifically organized to have Command Economies instead of the Planned Economies that they chose to introduce in the 1980s. They had arrived at the conclusion that the only way to build Socialism was to become overly dependent on Liberal Capitalist conceptions of international trade. The result led to the creation of Planned Economies where there was a “foreign market” and a “state market.” Both the Chinese Birdcage and Vietnamese Đổi Mới adhered to the same logic:

“The cage [central plan] must not be too small, lest the bird [markets] suffocate, but there had to be a cage to contain the bird, otherwise it would fly away [and reintroduce Liberal Capitalism].”

Today, the PRC and Vietnam have been able to maintain their statuses as Planned Economies and have been fortunate to avoid descending into Mixed Economies. A descent into Mixed Economy will coincide with the loss of political power through the replacement of Council Democracy with Parliamentary Democracy, the Liberal Capitalists taking power in the process. The cost of these measures may have been necessary, but their political, social, economic and financial ones are actually intolerable from the standpoint of the Work-Standard.

The PRC and Vietnam still adhere to some compromised aspect of STEP. Instead of phasing out STEP to implement their own versions of economic planning, both nations simply created parallel Liberal Capitalist Market/Mixed Economies within their own borders. This was

made possible by the Globalization that came about after the Death of Bretton Woods. It has contributed to an expropriation of economic strength for both America and the Western world.

The Chinese and Vietnamese may seem prosperous to a European or even an American, but ‘never forget’ that those two nations are living beyond their own means of production. Both Planned Economies are too dependent on exports, creating the imbalance in the Balance of Trades and Payments between themselves and the Western world. The Quality of Arbeit is very poor because greater emphasis has been placed on the Quantity of Kapital. Thus, they are slowly accumulating Sovereign Schuld because of the genuine lack of a true Socialist Monetary Policy.

There is still plenty of opportunities for improvement in the PRC and Vietnam. Unlike the other examples that were discussed earlier, the chances of those two overcoming their own flaws at the moment are about as high as the US, Russia, Japan, and the Europe. The Work-Standard can resolve some of these problems, but there needs to be a better way to address these issues.

Thus Spoke Nietzsche's Lenin

As Socialists and Nationalists walk along the tightrope between Two World Trade and One World Trade, there will always be those “Socially-minded Capitalists” in fear of their economic livelihoods under Socialism. The secret to getting those people to join the United Front is finding ways to confront the Freedom-Security Dialectic because it is the real obstacle preventing every nation on Earth from realizing Socialism and the creation of a Socialist world order.

The Liberal Capitalists have dissuaded the Socially-minded Capitalists from joining the United Front by focusing on “economic freedom.” Some Liberal Capitalists will masquerade as “Liberal Socialists” (Read: Welfare Capitalists) who will dissuade the Socially-minded Capitalists from joining the United Front by focusing on “economic security.” The Socialists and Nationalists as well as their United Front are fully aware that the conception of “economic freedom” under Neoliberalism is a cleverly-crafted Ponzi scheme. The conception of “economic security” under Neoliberalism is an absurdity, which is discernible in the Great Depression *and* Great Recession.

True economic freedom and true economic security are never outward. They are always inward because they dwell within each and every Individual. The United Front of the Socialist nation in the SMP Compendium is democratic, pluralist, and inclusive of all who are driven in their determination to serve the Totality. It shall be law-abiding so as to uphold the rule of law.

This brings us to the most important question of all: what becomes of the “markets” in a VCS Planned/Command Economy? Are they abolished or do they take on different forms due to the Work-Standard relying on truly Socialistic conceptions of competition and economic freedom?

The VCS Economy, regardless of whether it chooses Planned Economy or Command Economy, will eventually have a Tournament. This Tournament is essentially what became of the “markets” when the nation became a Socialist one. Once the Central Bank pegs the national Currency to the Work-Standard, the Totality will encounter the “markets” morphing into this “Tournament.” Here, Vocations compete for the highest Quality of Arbeit and the highest-possible Rank within their Profession. Enterprises will compete for the highest Quality of Arbeit and the highest-possible Rank within their Industry. Industries compete for the highest Quality of Arbeit and the highest-possible Rank within their Economic Sector. And those Sectors compete for the highest Quality of Arbeit and the highest-possible Rank in the VCS Economy itself. The size and composition of the Tournament follows the same logic as their *Wehrhoheit* (Military Sovereignty)—the power to control the size and composition of its military.

In the Tournament, Council Democracy will be the norm in the workspace. Every Individual is “free to choose” how they wish to play the chess game so long as somebody makes

the first move. The same goes for every Enterprise. Below here are some examples promoted by the VCS Economy, which will include but ought not to be limited to:

- Every Individual has a Right to choose which school they would like to join as part of their SSE, provided that there is a Duty to ensure that they will assist the student government when asked.
- Every Individual has a Right to choose whether to participate in the live training exercises of the SSE's Tournament, provided that there is a Duty to ensure that they will work to improve the experience for the next generation on behalf of the student government.
- Every Individual has a Right to choose how they wish to pursue their Vocation, provided that there is a Duty to be ready when the State gives them their military conscription draft card.
- Every Individual to choose which Enterprise they wish to pursue their Vocation, provided that there is a Duty to be ready when the State gives them their work-conscription draft card.
- Every Individual has the Right to send a transfer request to the State Commissariats of Wages and Prices, going from one Profession to another Profession as part of the Transvaluation of All Arbeit, provided that there is a Duty to pursue Quality of Arbeit par excellence in their new Profession.
- Every Enterprise has the Right to send a transfer request to the State Commissariats to go from one Industry to another as part of the Transvaluation of All Arbeit, provided that there is a Duty to hold a mandatory vote in the workspace under Council Democracy.
- Every Enterprise has the Right to dismiss disruptive personnel and economic planners, provided that there is a Duty to send the Individual in question to remedial training at the SSE's Tournament.
- Every Enterprise has the Right to decide how it wishes to innovate and manufacture its own products, provided that there is a Duty for that Enterprise to lead the other Enterprises by example.
- Every Enterprise reserves the Right to dissolve itself, provided there is a Duty to hold a mandatory vote in the workspace under Council Democracy.

These are all understandable economic laws that no market is capable of enforcing. Such laws can only be implemented and enforced by the legal jurisprudence of the Socialist Nation. More importantly, these are all necessary in order to ensure that the Military-Industrial Complex is competitive and designing armaments and equipment that set the Socialist Nation apart from other nations. A military's freedom of action on the battlefield is dependent on the Military-Industrial Complex's freedom of action in the workspace.

The Socialist Nation shall not be dependent on imports of NATO STANAG (STANdardization Agreement) or Warsaw Pact armaments in the interests of upholding its own Wehrhoheit as an expression of Authentic Dasein in the State of Total Mobilization. Production for *Dasein* stresses that the Socialist Nation must develop its weapons and equipment that reflect its cultural and traditional values. Nationalists and Socialists must find Solidarity in the Military-Industrial Complex to ensure that everything in the arsenals of their armed forces will minimize the extent of foreign weapons and equipment, especially those that do not reflect their cultural and traditional values. Only then shall the Socialist nation be able to defend itself against the emerging Revolution in Military Affairs within the field of Financial Warfare.

Furthermore, all Accountants and Economic Planners and their superiors, the State Inspectors and State Commissars, State Superintendents and Central planners shall familiarize themselves with the “Cassandra Coefficient” promulgated by Richard Alan Clarke. Council Democracy demands a self-aware, proactive, well-trained and highly motivated citizenry. With the Cassandra Coefficient, the Council State will be more resilient in preventing future crises or mitigate them at the very least. The Cassandra Coefficient has four components:

1. The warning, the threat or risk in question.
2. The decision makers or audience who must react.
3. The predictor or possible Cassandra.
4. The critics who disparage or reject the warning.

The following are important questions relevant to the Political Organization Problem:

- Response Availability: Can any aspect of the Political Organization Problem be resolved by an appropriate response from the Council State and the Totality?
- Initial Occurrence Syndrome: Has it happened before in the history of any nation, culture or civilization or is this truly a first-time occurrence exclusive to Western Civilization?
- Erroneous Consensus: Are the economic planners or their superiors incorrect by being too rash, too reckless, or too careless on how they conducted Mission-Type Economic Planning (MTEP)?
- Magnitude Overload: Does it require the economic planners and their superiors, the State Commissariats, the Kontore, Council of Ministers, the State Council, the Head of Government, and the Head of State? If so, can it be resolved by the actions of an Individual or an Enterprise?
- Outlandishness: Has one been reading too much into Utopian or Dystopian Fiction? If so, is it possible that their concerns are being distorted by an inability to distinguish fiction from fact?
- Invisible Obvious: Is any aspect of the Political Organization Problem so obvious, but is for whatever reason never discernible to the Council State and the Totality?
- Diffusion of Responsibility: Who will bear the burdens of Command Responsibility if the Political Organization Problem creates a tragedy that kills untold scores of people?
- Agenda Inertia: Are the economic planners and central planners more concerned about the results or the exact details of any plan?
- Complexity Mismatch: Is there a “Division of Labor” that prevents everyday people from properly conveying the Political Organization Problem to economic planners in the workspace?
- Ideological Response Rejection: Is the People’s Party adhering to a specific interpretation of Socialism like Marxism-Leninism? Are they rejecting the warning because they are still operating under flawed Cold War-era notions of “Dogmatism” and “Revisionism?”
- Profiles in Cowardice: Is one’s superiors not the best people to take orders from? Are there proper Constitutional Intents and Obligations to help the Totality combat corruption, waste, fraud, abuses of power, demagogues, populists, and the tyranny of Totalitarianism?
- Satisficing: Is the People’s Party more interested in whatever news pleases them, real or fictional? How about going as far as even encouraging corruption among Central Planners by letting them forge records and expropriate Arbeit and Geld for themselves?

- Inability to Discern the Unusual: Are one's superiors unable to detect what you yourself are detecting, complete with incontrovertible evidence? Are there proper Constitutional Intents and Obligations to help the Totality hold the Council State accountable?
- Scientific Reticence: Are one's superiors rejecting the warnings because they are claiming to know more than their own subordinates? Are there proper Constitutional Intents and Obligations to help the Totality hold these Individuals accountable?
- Personal or Professional Investment: Are there people rejecting the warnings because "this person is too young, this person is too old, or this person adheres to an interpretation of Socialism from a party in the United Front that we are prejudiced against?" Are there proper Constitutional Intents and Obligations to help the Totality hold them accountable?
- Non-Expert Rejection: Are there people rejecting the warnings because "they are not in our Professions, so they should be ignored as they do not know any better?" Are there proper Constitutional Intents and Obligations to help the Totality hold them accountable?
- 'Now is Not the Time' Fallacy: Are there people rejecting the warnings because they want to realize a Four-Year Plan Work-Plan in three years, a Five-Year Plan in four years, wants to build some 'Thousand-Year Reich' or realize 'Communism in twenty years?' Are there proper Constitutional Intents and Obligations to help the Totality hold them accountable?

Wartime Rationing, MPCs, Payment Cards and ATMs, and PX Exchanges

It may be necessary under certain contexts for the Socialist Nation to be rationing certain goods or allowing certain services to closed in wartime. The Armed Forces will need lots of manpower and resources to defend the Socialist Nation. The State Commissariats are the first ones to detect whether the VCS Economy should begin rationing. Prewar preparations must be made for any proposed decision to begin rationing. The State Commissars will hold secret meetings with the Financial Regime (Central Bank, Heads of State and Government), the General Staff, the Central Planners, the Ministers of Economics, Finance, Energy & Armaments Production, and Intelligence behind closed doors. Someone will record the minutes of the meeting as everyone else decides on the necessity before proposing it to the State Council. Everything else from that point onward will follow the normal procedures within Councilor Governance.

If higher Prices are unjustifiable, ungovernable or unsustainable, wartime rationing will be implemented in order to conserve resource and prevent the onset of shortages for those important moments. Everything depends on whether the Totality has been able to live within their own means of production in peacetime. The Council State can limit the severity of wartime rationing by developing ways of ensuring that the consequences of Total Mobilization like environmental degradation and resource depletion are addressed and confronted by the Totality in peacetime.

There may also be occasions where the Socialist nation may find itself in a position like the American or Soviet armed forces. Our own Armed Forces may end up having hundreds of military installations around the world and elsewhere, complete with living quarters and base amenities to accommodate the family members of military personnel. The Totality should be free to question the Council State on whether our troops are imposing a covert military occupation or were deployed there as part of a legitimate military alliances unlike NATO or the Warsaw Pact.

Regardless of what the truth may be, our Central Planners and Bankers must work with Offices VI and VII ("Priority Requisition" and "Economic Foreignization" respectively) of the Kontore, the State Commissariats, the General Staff, and the State Council to address the issue of paying military personnel deployed in other countries. How well they resolve this matter is whether the nation in question will be able to sustain itself and live within its own means of production.

Finally, and unlike the First World War, the Second World War has had to deal with the issue of militaries propping up occupation governments that issued their own Currencies. The conditions of modern warfare in the State of Total Mobilization have allowed for the creation of black markets dabbling in Foreign Currencies. Militaries from all sides in that conflict have found that it was prudent to ensure that either their Currency will supplant the occupied country, or a new Currency will be created by the occupation government. Both methods have their upsides and downsides, it is probably more prudent to employ some combination of those two methods on behalf of the Work-Standard and Socialist Fintech for the conduct of Financial Warfare.

No country has gone to great lengths to be involved in this matter than these United States. The US military has issued “Military Payment Certificates” (MPC) to personnel between World War II and the Vietnam War. Everyone received a fixed amount from the US Treasury Department, Alexander Hamilton’s old governmental ministry, the allocations facilitated by the US Department of War (which later became the US Department of Defense post-1945). There was always a “C-Day,” a day in which everyone had to convert their MPCs to a new set of MPCs to prevent the old ones from ending up on the black market and destroying the Value of local Currencies.

MPCs were phased out in the same year as the death of Bretton Woods, 1973. The US military has experimented with the innovations in Fintech during the same period to develop “Eagle Cash” (EZPay), which was basically a type of payment card. It was a technological design characteristic of the Liberal Capitalist conception of Fintech because EZPay functioned more like a debit or credit card, completed with its own ATM-like (Automated Teller Machine) kiosk, and ways to facilitate computerized batch processing within the military installation itself. The EZpay system was first deployed in Yugoslavia around 1992-1995.

Both methods of payment coincided with the presence of the “PX Exchange,” a US military invention that has its origins in the “Trading Posts” of American Colonial times from the 18th century. Such facilities can be exploited by black marketeers to generate Kapital for themselves through the acquisitions of American-made consumer and luxury goods. That has certainly been the case in the Vietnam War. Some arguments have been made that the real reason why North Vietnam had an easier time invading South Vietnam was because the latter had become so addicted to Consumerism to the point that it could no longer defend itself properly.

Our Socialist Nation will not be dabbling in such frivolous escapades. If the Council State must invade other countries and topple their governments, our Armed Forces must be determined to help the occupation government recover from the destruction that they had caused. They must help the other nation is able to live within its own means of production, ensuring that they will not be compelled to emulate our standard of living in their current economic conditions. The occupation government’s Currency will be pegged to the Work-Standard. Our SSE and VCS Economy will provide the occupation government with the means by which to govern politically and economically. This particular issue was discussed previously in Part III of “Wartime Preparations and the Work-Standard,” with the Iraq War serving as the case study.

Section Eight: Basic Guide to WSA



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Introduction to Command-Obedience Account Bookkeeping

All of the Entries in the preceding Sections of the SMP Compendium have been building toward the basic articulations of a distinct accounting system for the Work-Standard. Since the Work-Standard relies on Arbeit and Geld as its definitions of wealth in the Socialist Nation, the “Double-Entry Account Bookkeeping” employed under Neoliberalism will be no longer be tolerated. The Explicit Intent here is that Double-Entry Account Bookkeeping was designed to be used in the accounting of Kapital and Schuld. Never was it designed for the Accounting Profession to account for the Quality of Arbeit and the Quality of Geld. This fact alone is discernible from its basic fundamental equations for Quantity of Kapital and Quantity of Schuld:

$$\boxed{\text{Asset}} = \boxed{\text{Liability}} + \boxed{\text{Equity}}$$

$$\text{Asset} - \text{Equity} = \text{Liability}$$

$$\text{Asset} - \text{Liability} = \text{Equity}$$

The “Asset” refers to the sum of the Quantity of Schuld as “Liability” and Quantity of Kapital as “Equity.” With “Equity” as Quantity of Kapital, an Accountant can immediately uncover someone’s Net Worth, as demonstrated by the following operation:

$$\text{Asset} - \text{Liability} = \text{Equity} = \text{Net Worth}$$

When the Accountant needs to know the precise of details behind the Quantity of Kapital for most privatized commercial firms, the fundamental equation of Double-Entry Account Bookkeeping can be expanded further as:

$$\text{Asset} = \text{Liability} + (\text{Kapital} + \text{Revenue}) - (\text{Expenses} - \text{Drawings})$$

The “Liability” is now identified as the Quantity of Schuld that accrues as a result of trying to create more Kapital. The “Equity” becomes the difference between the sum of existing Kapital and how much Kapital was earned from transactional sales and all expenditures associated with operating a privatized commercial firm and any Kapital spent on personal Incentives. The specifications for how Double-Entry Account Bookkeeping function and its historical background deserve their own Treatise. For now, the purpose of this Entry is to introduce the Work-Standard’s proposed alternative to Double-Entry Bookkeeping.

All Socialist, Corporatist, Syndicalist and State Capitalist VCS Economies, Reciprocal-Reserve Banking Systems, and States rely on “Command-Obedience Account Bookkeeping.” Command-Obedience Account Bookkeeping is an application of the Intents of Command and Obedience, allowing Accountants, Economic Planners and Inspectors to determine how much Arbeit and Geld is being generated by individual Vocations, Professions, Enterprises, Industries, and Economic Sectors. It is designed to be reapplied to the State’s Ministries, Departments and Offices as well as the Student Government’s Student Economy, and the National Intranet’s Digital Economy. Instead of a simple arithmetic equation with variables of “Asset,” “Liability” and “Equity,” Command-Obedience Account Bookkeeping employs a different trio of variables:

$$\boxed{\text{State}} = \boxed{\text{Totality}} + \boxed{\text{Self}}$$

In financial ledgers, reports and statements under Command-Obedience Account Bookkeeping, the “State” is always listed on the left-hand side as the “Obedience-side” and the “Totality” and “Self” as the “Command-side.” Here, the “State” is the combined sums of Arbeit and Geld generated by the “Totality” and the “Self.” The finances of the State are the finances of the Totality and the Self. It represents the national income of the entire country, denominated in its own Sociable Currency. Both Totality and Self are equally capable of creating Arbeit and Geld.

$$\text{Self} = \text{Income} + \text{Net Income} + (\text{Dependents} + \text{Years}) - \text{Geld} - \text{Arbeit} + \text{Drawings}$$

$$\text{Totality} = \text{Income} + \text{Net Income} + (\text{Dependents} + \text{Years}) - \text{Geld} - \text{Arbeit} + \text{Drawings}$$

$$\text{State} = \text{Holdings} + \text{Geld} + \text{Arbeit} - \text{Total Incomes of Totality \& Self}$$

All three of those basic equations are needed by an Accountant to know the “Total Productive Potential (TPP) Account” of the Socialist Nation. The TPP Account is one of the three accounts employed by the Work-Standard as part of its own Chart of Accounts (CoA) and its own System of National Accounts (SNA). I just established the Work-Standard’s version of the CoA, and the Central Bank will need its distinct SNA, which requires the TPP Account and two other main accounts to acquire the final TPP value. Remember all units of Sociable Currency in circulation, as the “Requisitionary Productive Forces (RPF),” must be on par with TPP, otherwise the Socialist Nation will begin accumulating Sovereign Schuld as a consequence. The equation for the Life-Energy Reserve’s Final TPP Value and the equation for the TPP Account are as follows:

$$\text{TPP} = \text{TPP Account} + \text{LER Account} + \text{SI-EF Account}$$

$$\text{TPP Account} = \text{State Budget} + \text{People’s Geld}$$

To find the Life-Energy Reserve's Final TPP Value requires finding the sum of the TPP Account, the "*Life-Energization Reciprocity (LER) Account*," and the "*State Investment-Economic Foreignization (SI-EF) Account*." In order to uncover the TPP, LER, and SI-EF Accounts, an Accountant and their Economic Planner will need to familiarize themselves with the Work-Standard's SNA, the "*Worksheet of Sociable Accounts (WSA)*." Below is a completed copy of the WSA containing all of the variables to find the Life-Energy Reserve's TPP value:

<i>Worksheet of Sociable Accounts (WSA)</i>			
<i>Obedience</i>	<i>Command</i>		
	TPP Accounts	LER Accounts	SI-EF Accounts
National Account	<i>National Income</i>	<i>Economic Production</i>	<i>Financial Mobilization</i>
	State Budget + People's Geld	RTEP + RTFP	NSFI + NSB + SI + PS
State Account	<i>State Income</i>	<i>Digital & Military Production</i>	<i>Financial Investments</i>
	State Revenue	EDW	NSFI ₁ + NSB ₁
	State Spending	EDM	NSFI ₂ + NSB ₂
	State Expense	WAF	SI + PS
	State Budget	MAF	OSF
Communion Account	<i>Organizational Income</i>	<i>Organizational Finances</i>	<i>Organizational Spending</i>
	Social Revenue	Product Outputs	Resource Inputs
	Social Spending	Transactional Sales	Production Costs
	Social Expense	Basic Essentials Sales	Essential Costs
	State Funds	Non-Essentials Sales	Non-Essential Costs
Social Account	<i>Social Income</i>	<i>Social Finances</i>	<i>Social Spending</i>
	People's Revenue	Drawings	Stipends
	People's Spending	Transactional Sales	Production Costs
	People's Expense	Basic Essentials Sales	Essential Costs
	People's Geld	Non-Essentials Sales	Non-Essential Costs
Household Account	<i>Household Income</i>	<i>Household Finances</i>	<i>Household Spending</i>
	Personal Revenue	Drawings	Stipends
	Personal Spending	Transactional Sales	Production Costs
	Personal Expense	Basic Essentials Sales	Essential Costs
	Personal Geld	Non-Essentials Sales	Non-Essential Costs
Domestic Account	<i>National Costs</i>	<i>National Development</i>	<i>National Spending</i>
	National Spending	National Licenses	RTA Spending
	National Expenses	National Technology	RTA Expenses
	Sovereign Schuld	National Culture	Foreign Aid
	People's Schuld	National Tourism	Technology Costs
	Personal Schuld	National Media	R&D Costs
Foreign Account	<i>Foreign Reserves</i>	<i>Foreign Development</i>	<i>Foreign Spending</i>
	SFR Account	Economic Foreignization	RTA Revenue
	KDM Account	Social Foreignization	RTA Income
	KBM Account	Net Foreignization	Development Aid
Opening Balance		Closing Balance	
Final TPP Value		Actual RPF Value	

But in any serious application of the Work-Standard, no Economic Planner and their retinue of Accountants are going to know every detail of the VCS Economy nor should they have to if they are only assigned to an individual Enterprise. In fact, it is inevitable for them to have a partially incomplete WSA; the only ones that would have a complete WSA are the Head of State, Head of Government, State Council, Central Bank, the Central Planners at the Ministry of Economics, and the Superintendents at the Ministry of Finance. The Council State can compile the information for its own National Accounts, State Accounts, Domestic Accounts and Foreign Accounts, but it will need information from the Economic Planners and Accountants to complete the rest of the WSA in order to uncover the Final TPP Value.

What the Economic Planners and Accountants of every Enterprise must have filled out on their own WSAs are their Enterprise's National Accounts, Communion Accounts, Social Accounts, and Household Accounts. Thus, when an Economic Planner needs to know the contributions of Arbeit and Geld for their own Enterprise, they would request their Accountants to provide them with three financial reports: the "WSA Workflow Statement," "WSA Income Statement," and "WSA Balance Sheet."

For the purposes of the SMP Compendium, I will demonstrate how to complete the WSA and all three of those financial reports over the court of the Section. In the next Entries, we will be focusing on how to find the Quality of Arbeit (QW) and Quality of Geld (QM). We need those two if they are going to determine the value of the LER Account as the sum of the "Real Total Economic Potential (RTEP)" and the "Real Total Financial Potential (RTFP)" respectively.

National Accounts (Pt. 1 of 4)

Quality of Arbeit formula Reference Chart

$$\begin{aligned} (WP (FM) - WI) * \text{All Vocations} &= AP_N \\ (AP_N + \dots + AP_x) * \text{All Enterprises} &= AE_N \\ (AE_N + \dots + AE_x) * \text{All Industries} &= AI_1 \\ (AI_N + \dots + AI_x) * 5 &= AN_1 \end{aligned}$$

$$\begin{aligned} AP * MR &= QP_N \\ AE_x * MR &= QE_N \\ AI_x * MR &= QI_N \\ (AP_N + AE_N + AI_N + AN) * MR &= QW_1 \end{aligned}$$

$$\begin{aligned} AN_2 * MR &= QW_2 \\ AN_3 * MR &= QW_3 \\ AN_4 * MR &= QW_4 \\ AN_5 * MR &= QW_5 \\ QW_1 + QW_2 + QW_3 + QW_4 + QW_5 &= FQW \end{aligned}$$

WP = Work-Productivity
FM = Force Multiplier
WI = Work-Intensity
MR = Mechanization Rate

AP_N = Arbeit of All Vocations for One Profession
 AE_N = Arbeit of All Professions for One Enterprise
 AI_N = Arbeit of All Enterprises for One Industry
 AN_1 = Arbeit of All Industries for the National Economy

QP_N = Quality of Arbeit for All Professions

QE_N = Quality of Arbeit for All Enterprises

QI_N = Quality of Arbeit for All Industries

QW_1 = Quality of Arbeit for the National Economy

QW_2 = Quality of Arbeit for the Student Economy

QW_3 = Quality of Arbeit for the Financial Regime

QW_4 = Quality of Arbeit for the National Government

QW_5 = Quality of Arbeit for the International Trade

FQW = Final Quality of Arbeit

AN_2 = Arbeit from the Student Economy

AN_3 = Arbeit from Financial Regime

AN_4 = Arbeit from National Government

AN_5 = Arbeit from International Trade

How to Find Quality of Arbeit

Take a few moments to study and review the above diagram as I will be demonstrating everything in greater detail in this Entry. Pay close attention to the variables included there as well. Finding the Quality of Arbeit (QW) required to uncover the Final Quality of Arbeit (FQW) is a four-step procedure:

- **Find the Arbeit of all Vocations for one Profession.** Begin by finding the product of Work-Productivity (WP) and Force Multipliers (FM), subtract it by Work-Intensity (WI), then multiply it by the sum of all Vocations within a Profession. Identify the values of all Professions before proceeding onward.
- **Find the Arbeit of all Professions for one Enterprise.** Take the sum Value of Arbeit for all Professions, then multiply it by the sum of the Enterprises within their related Industry. Repeat the same operation across all Enterprises.
- **Find the Arbeit of all Enterprises for one Industry.** Take the sum Value of Arbeit for all Enterprises, then multiply it by the sum of their Industries. Repeat the same operation for every Economic Sector.

- **Find the Arbeit of all Industries for one Economic Sector.** Take the sum Value of Arbeit for Industries and multiply it by the number of Economic Sectors. In the context of the VCS Economy, there should only be five.

For the sake of brevity, I will only be demonstrating how to find the Quality of Arbeit for a single Enterprise in the VCS Economy. The same procedures are applicable to the SSE, the VCS Economy, the Reciprocal-Reserve Banking System, the Council State, and the National Intranet. The same will also be true for International Trade. Everyone should be relying on the same accounting system under the Work-Standard.

Most Enterprises in the VCS Economy feature the following Figures: The Civil Servant, the Delegate, the Administrator, Economic Planner, the Accountant, and the Inspector. Once we know the current number of personnel working at the Enterprise, we then need to determine the WP, WI and FM values by identifying their contributions of Arbeit.

1. **What is the Arbeit?** There are countless conceivable ways of creating Arbeit, but the ones that the Accounting Profession will be concerned about are those affixed to the Domains of the Work-World. Each Domain has production processes being carried out by related Industries, Enterprises, Professions, and Vocations. What is produced by one Domain is a prerequisite to the production processes of another Domain and so forth.
2. **Who is contributing Arbeit?** All Professions, Enterprises, and Industries involved in the production process of each Domain must decide on the Value of their Arbeit. They negotiate with the State Commissariats of Wages and Prices, discussing why their Arbeit should be given its Value.
3. **Why did the Arbeit attain its Value?** The State Commissariats expects everyone involved in the production processes of a Domain to know why their Arbeit should be given this particular Value and how much did it cost to create that Arbeit to begin with.
4. **How did the Arbeit receive its Price?** While individual Professions, Enterprises and Industries may have their own ideas about the worthiness of their Arbeit, the State Commissariats remain the final authority on all Prices at the regional level. The central government will base the National Prices based on the average Prices across every region of the Socialist Nation. Whatever Prices were set for the harvesting of natural resources, the production of Equipmentalities and finished goods, and the rendering of services will in turn impact the Prices for purchasing them. If the State Commissariats are compelled to make periodic adjustments to the Values of Arbeit, they will be recorded under the *Convertibility Rate (CR)* and then given new Prices.

The WP should be represented by the sum total value of the Arbeit that came from the production process and any transactional sales. Every good produced, every service rendered, and every good or service successfully sold to somebody else at the Tournament counts toward the WP value. The multiplication of the WP value by the FM value is impacted by whether the Arbeit in question happens to be Actual Arbeit, Digital Arbeit, or Military Arbeit. For the purposes of the Entry, we will be assuming that the Arbeit in question is Actual Arbeit, which is the most common form of Arbeit that naturally occurs in the VCS Economy.

After multiplying WP and FM, we then need to subtract that value with the WI value. The WI value comes from the costs of producing goods and services and selling them to the Tournament. In the VCS Economy, all Enterprises spend Actual Geld in order to continue their

production processes and contribute more Actual Arbeit. WI is meant to denote the Enterprise's costs of having to produce goods and render services as part of the production process.

Force Multiplier Chart	
<i>Range</i>	<i>Minimum and Maximum</i>
Actual Arbeit	1.00 and 2.00
Digital Arbeit	1.00 and 3.00
Military Arbeit	1.00 and 5.00
<i>Description</i>	<i>Amount</i>
Economic Socialization (Minimum Amount for Personal Arbeit creating Surplus Arbeit for Others)	0.10
Professional Vocation Experience	0.01 for each Year
Financial Technology Proficiency (Minimum)	0.30
Economic Socialization (Maximum Amount for Personal Arbeit creating Surplus Arbeit for Others)	0.50
Military Technology Proficiency (Minimum)	0.60
32 Hour Work-Week (Minimum)	0.80
40 Hour Work-Week (Median)	1.00
56 Hour Work-Week (Maximum)	1.40
Financial Technology Proficiency (Maximum)	1.50
Military Technology Proficiency (Maximum)	3.00

Subtracting WI from the product of WP and FM, we then multiply by the number of Vocations, then multiply again by the official Mechanization Rate (MR) established by the Central Bank. Unlike the FM value, the WP and WI values are designed to accommodate for the economic activities of one Vocation within a given Enterprise. Thus, the Arbeit contributed by all of the Vocations in the Enterprise should be accounted for. The MR value, meanwhile, is always a given because it has to be officially announced by the Central Bank and enforced by the Council State.

After completing those operations, we obtain the Quality of Arbeit for the Enterprise in question. Since we are only focusing on that particular Enterprise and not the entire VCS Economy or the Socialist Nation, we can then state the FQW value for that Enterprise alone. This is only the first half because we now have to convert Arbeit-into-Geld.

National Accounts (Pt. 2 of 4)

Quality of Geld formula Reference Chart

$$QP + (ES_1 + \dots + ES_x) * \text{All Vocations} = MP$$

$$QE + (ES_1 + \dots + ES_x) * \text{All Professions} = ME$$

$$QI + (ES_1 + \dots + ES_x) * \text{All Enterprises} = MI$$

$$QW + (ES_1 + \dots + ES_x) * \text{All Industries} = MN$$

$$MP * SR_1 = MQP$$

$$ME * SR_1 = MQE$$

$$MI * SR_1 = MQI$$

$$MN * SR_1 = QM_1$$

$$QM_1 + QM_2 + QM_3 + QM_4 + QM_5 = FQM$$

QP = Quality of Arbeit within a Profession

ES₁ = Economic Socialization

SR₁ = Scale / Duration of Production

QP_N = Quality of Arbeit for All Professions

QE_N = Quality of Arbeit for All Enterprises

QI_N = Quality of Arbeit for All Industries

QW₁ = Quality of Arbeit for the National Economy

MP = Geld of All Vocations in a Profession

ME = Geld of All Professions in an Enterprise

MI = Geld of All Enterprises in an Industry

MN = Geld of All Sectors in the National Economy

MQP = Quality of Geld for Vocations across Professions

MQE = Quality of Geld for Professions across Enterprises

MQI = Quality of Geld for Enterprises across Industries

QM₁ = Quality of Geld for Sectors of National Economy

QM₂ = Quality of Geld for the Student Economy

QM₃ = Quality of Geld for the Financial Regime

QM₄ = Quality of Geld for the National Government

QM₅ = Quality of Geld for International Trade

FQM = Final Quality of Geld

How to Find Quality of Geld

Having discovered the Quality of Arbeit for a single Enterprise, we will now proceed with the conversion of Arbeit-into-Geld. To begin, we take the Quality of Arbeit and find the sum of its Economic Socialization (ES) value. Economic Socialization occurs whenever any economic activity results in the creation of Arbeit that enables at least one other economic activity. If we are focusing on a certain Profession or, in this case, a single Enterprise, we need to know how much Arbeit was created and how many Vocations or Professions were involved.

That Enterprise I introduced in the preceding Entry is not operating alone in the VCS Economy. Where does the Enterprise get its resources, tools, machinery, and other items? Who provides them with repair and maintenance services? Who transports their finished products from the storage area to a distributor? Who is the distributor and where are the products going to? Who buys the finished products and who needs them in order to render a service? Once we figure out how much Arbeit is also contributing to the production process and transactional sales of that Enterprise, we will eventually uncover how much that Arbeit is worth in Geld.

To find Quality of Geld, we now need to find the first half of the Solidarity Rate (SR_1). The SR_1 value is the quotient of the Scale and Duration of the production process. To find the Scale and Duration of the production process, we need to know how many finished products were created and how many transactional sales were conducted over the course of a given timeframe. In serious applications of the Work-Standard, an Economic Planner and their Accountants would assume that the Duration of Production is a given on any particular day. Unless the Council State happens to decide otherwise through legislation and enforced by the State Commissariats, there are forty hours within a single workweek.

Each day in the workweek consists of eight hours. Thus, the Duration of the production process should be eight (8) hours for a single day or forty (40) hours for a single week. The Economic Planner learns about the Scale of the production process from the Delegate or the Administrator. Depending on how the Enterprise is governed, the Economic Planner could get that information from the Delegate (if operating on Codetermination), from the Administrator (if operating on Joint-Ownership), or both (if operating on Workers' Self-Management).

Whichever way the Economic Planner learned about the Scale of the production process, that variable will always be the number of produced, the number of services rendered, and the number of transactional sales conducted. Since we are only focusing on one Enterprise in the VCS Economy, its Quality of Geld can then be designated as the Final Quality of Geld (FQM). At this point, we should already have two separate values: one for the Final Quality of Arbeit (FWQ), the other for the Final Quality of Geld (FQM). With those two values, we can finally use one of four methods to find the Attrition/Inaction Rate (AIR) for that Enterprise. This one involves taking the quotient of FWQ and FQM to find AIR.

<i>Transaction</i>	<i>Sustainability Factor</i>	<i>Effects on Price</i>	<i>Effects on Attrition/Inaction</i>
Quality > Frequency	Unsustainable	Falling	Attrition Rate Falls
Quality \geq Frequency	Sustainable	Falling	 Inaction Rate Rises
Quality = Frequency	Sustainable	Breaking Even	Value = Price
Quality \leq Frequency	Sustainable	Rising	Attrition Rate Rises
Quality < Frequency	Unsustainable	Rising	 Inaction Rate Falls

The pricing of goods and services are dependent on the Sustainability Factor, affecting whether the Quality of the production process can maintain the Frequency in which goods and services are being purchased within transactional sales. If the Frequency outpaces the Quality, the Price will rise because the production process is Unsustainable for everyone involved in its Domain. The reverse will occur if the Quality happens to surpass the Frequency.

State Foreignization Investments

Everything that I had just described up to this point was the Geld that got converted from the Arbeit associated with the production process and the transactional sales of an Enterprise. This is the procedure in which Arbeit is converted into Geld, thereby laying the foundations of the LER Account as the sum of Real Total Economic Potential (RTEP) and Real Total Financial Potential (RTFP), which requires finding the Total Economic Potential (TEP) and Total Financial Potential (TFP) respectively. That will be the topic of the next Entry.

But before we can find TEP and TFP values required to complete the LER Account, there is one final area that deserves mention in this Entry of the SMP Compendium. It should be recalled back in Section Six that the Socialist Nation is capable of generating Arbeit and Geld from International Trade, which the Council State is capable of encouraging under the terms of a Real Trade Agreement (RTA) with at least one other nation. All Arbeit and Geld gained from International Trade are identified as State Foreignization Investments (SFI_1 and SFI_2). The two variables denote the Arbeit and Geld that occur from exportation and those from importation.

- SFI_1 is related to economic activities and factored as part of Final Quality of Arbeit (FQW).
- SFI_2 is related to NSFIs and Foreign Investments under the Final Quality of Geld (FQM).
- Both variables involve finding the differences of their Total Economic Socialization Rates (TXRs) and corresponding Net Economic Foreignization Rates (NORs).
- Assuming we already know the values of FQW and FQM, we can now use two of the four methods to determine the Attrition Rate (AIR). These two methods are financial indicators that will allow us to determine the Attrition Rate across individual Professions, Enterprises, Industries, and Economic Sectors.

State Foreignization Investment & Attrition/Inaction Rate Formulas Reference Chart

State Foreignization Investments (SFIs)

$$\begin{aligned} AN_5 + MN_5 &= SFI_1 + SFI_2 \\ AN_5 &= SFI_1 + (SFI_2 - MN_5) \\ MN_5 &= (SFI_1 - AN_5) + SFI_2 \end{aligned}$$

$$\begin{aligned} SFI_1 &= TXR_1 - NOR_1 \\ TXR_1 &= (\text{Foreign Arbeit} - \text{Domestic Expenses}) + (\text{Domestic Geld} - \text{Foreign Schuld}) \\ NOR_1 &= (\text{Domestic Arbeit} - \text{Foreign Expenses}) + (\text{Foreign Geld} - \text{Domestic Schuld}) \end{aligned}$$

$$\begin{aligned} SFI_2 &= TXR_2 - NOR_2 \\ TXR_2 &= (\text{Domestic NSFIs} - \text{Foreign Service Fee}) + (\text{Domestic Investments} - \text{Foreign Expenses}) \\ NOR_2 &= (\text{Foreign NSFIs} - \text{Domestic Service Fee}) + (\text{Foreign Investments} - \text{Domestic Expenses}) \end{aligned}$$

Attrition/Inaction Rate (AIR)

$$AIR = \frac{FQW}{FQM}$$

$$\begin{aligned} RTEP &= TEP / AIR \\ AIR \text{ Percentage} &= (TEP/RTEP) * 100 \end{aligned}$$

AN_5 = Arbeit from International Trade
 MN_5 = Geld from International Trade
 SFI_1 = Arbeit and Geld from Real Trade
 SFI_2 = Financial Instruments & State Investments
 FQW = Final Quality of Arbeit
 TEP = Total Economic Potential

TXR_1 = Total Economic Socialization Rate for AN_5
 NOR_1 = Net Economic Foreignization Rate for AN_5
 TXR_2 = Total Economic Socialization Rate for MN_5
 NOR_2 = Net Economic Foreignization Rate for MN_5
 FQM = Final Quality of Geld
 RTEP = Real Total Economic Potential

National Accounts (Pt. 3 of 4)

Total Economic Potential and Total Financial Potential Formulas (with Alternate Attrition/Rate Equations)

Total Economic Potential (TEP)

$$QW_1 + QW_2 + QW_3 + QW_4 + QW_5 = FQW$$

$$FQW - \text{Expenditure} = \text{TEP}$$

$$\text{RTEP} = \text{TEP} / \text{AIR}$$

$$\text{AIR} = (\text{TEP} / \text{RTEP}) * 100$$

Total Financial Potential (TFP)

$$QM_1 + QM_2 + QM_3 + QM_4 + QM_5 = FQM$$

$$(QM_1 * SR_2) + \text{Revenue} = QMN_1$$

$$(QM_2 * SR_2) + \text{Revenue} = QMN_2$$

$$(QM_3 * SR_2) + \text{Revenue} = QMN_3$$

$$(QM_4 * SR_2) + \text{Revenue} = QMN_4$$

$$(QM_5 * SR_2) + \text{Revenue} = QMN_5$$

$$QMN_1 + QMN_2 + QMN_3 + QMN_4 + QMN_5 = \text{TFP}$$

$$\text{RTFP} = \text{TEP} + \text{TFP} / \text{AIR}$$

$$\text{AIR} = (\text{TEP} + \text{TFP} / \text{RTEP} + \text{RTFP}) * 100$$

FQW = Final Quality of Arbeit

FQM = Final Quality of Geld

QMN_N = Net Financial Potential

RTEP = Real Total Economic Potential RTFP = Real Total Financial Potential AIR = Attrition/Inaction Rate

SR₂ = Density / Scope

How to Find Real Total Economic Potential

By this Entry, we should already have the values of an Enterprise's Final Quality of Arbeit (FQW) and its Final Quality of Geld (FQM). We should also have the Attrition/Inaction Rate (AIR) of that same Enterprise. However, we are not quite finished yet. We still need to know the Total Economic Potential (TEP) and the Total Financial Potential (TFP), which is needed to uncover the Real Total Economic Potential (RTEP) and Real Total Financial Potential (RTFP) with the AIR. As one might have noticed in the past two Entries, nowhere did I factor the "Revenues" and "Expenditures" of that Enterprise into the conversion of Arbeit into Geld. This is because the LER Process is not supposed to account for any Actual Geld that an Enterprise receives from any of its transactional sales.

The "Expenditures" of an Enterprise are all of the costs associated with running the Enterprise outside of the production process. The costs of producing goods, rendering services,

and conducting transactional sales have been accounted for in the Work-Intensity (WI) variable. The Enterprise had to have spent Actual Geld in facilitating Economic Socialization (ES), maintaining the production process, and allowing water and electricity into the Enterprise. Even the Enterprise's buildings and workspaces have to be cleaned and even renovated.

Every conceivable cost on the Enterprise that is not directly tied to the conversion of Arbeit-into-Geld is to be accounted for in the Expenditures variable. By finding the difference between Enterprise's FQW and all of its other Expenditures, its Economic Planner and Accountants will be able to uncover the Total Economic Potential. Given the TEP value and the Attrition/Inaction Rate, the Enterprise's RTEP can now be uncovered. To find the value of RTEP, take the quotient of TEP and the AIR.

How to Find Real Total Financial Potential

The operational procedure of finding the RTFP value is more involved than that of finding the RTEP value. This is due to the fact that the Final Quality of Geld must be multiplied by the second half of the Solidarity Rate (SR_2) and the sum of the Enterprise's "Revenues." The Enterprise had to have received Actual Geld from its transactional sales at the Tournament. This is the Actual Geld that did not come from the production process, which went straight to the Life-Energy Reserve of the Central Bank. Therefore, these Revenues will be staying with the Enterprise and will not be subject to taxation by the Council State.

The SR_2 value is the quotient of the "Density" and "Scope" of the production process. The Scope refers to the diversification of goods and services associated with the production process. Depending on the Enterprise in question, the production process may be capable of facilitating a larger variety of goods and services. Density is the cost of having to sustain that diversification of the production process. Since this is related to the production process, the Density and Scope become the analogues of Work-Intensity and Work-Productivity as these economic activities are always secondary to the primary ones of the Enterprise.

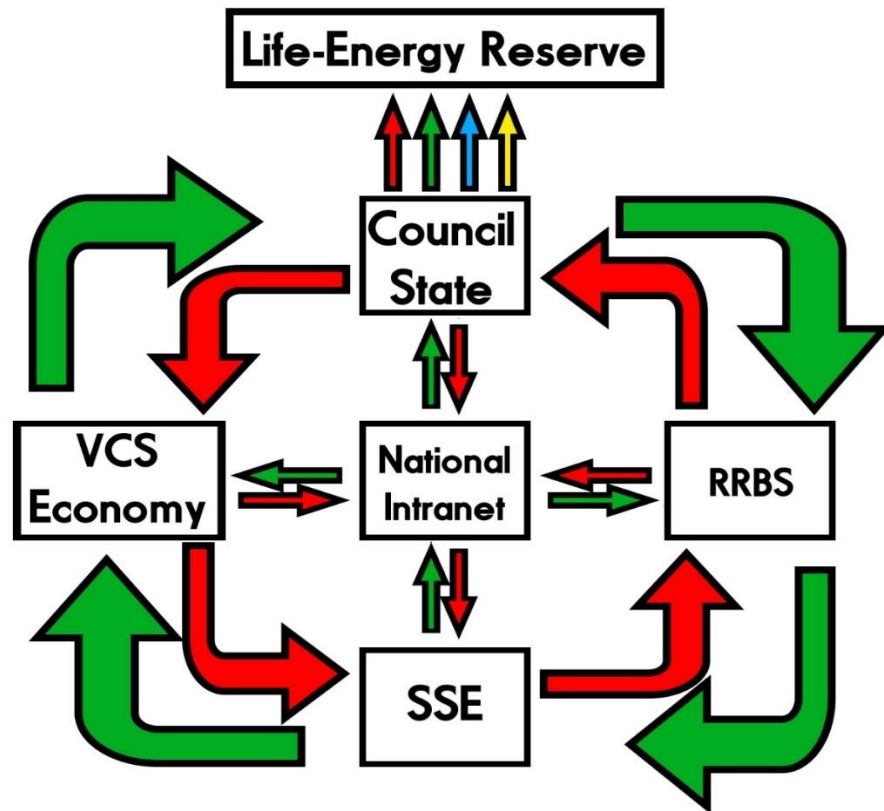
Granted, most Enterprises in the VCS Economy are not going to be diversifying to the extent that they will be engaging in more than one Industry or Economic Sector. At best, they will only be producing goods, rendering services, conducting transactional sales, and supporting other Enterprises with their own production processes. This particular half of the Solidarity Rate can be skipped by the Economic Planner and the Accountants.

Should that be the case, all that remains is finding the TFP value through the sum of FQM and Revenues. All that remains now is finding RTFP, which involves finding the sum of TEP and TFP and dividing it by the known AIR. We now have the values for RTEP and RTFP. The sum of RTEP and RTFP is the total value of the LER Account.

On a sidenote, if we were finding the RTEP and RTFP values of the entire Socialist Nation, we would uncover the RTEPs and RTFPs of the SSE, the VCS Economy, the Reciprocal-Reserve Banking System, and International Trade. The operational procedures that apply to one Enterprise are also designed to be reapplied to entire Socialist Nation.

National Accounts (Pt. 4 of 4)

It would be ignorant not to realize that Digital Arbeit, Digital Geld, Military Arbeit and Military Geld, NSFIs and Work-Tenures represent the supplementary contributions to the Life-Energy Reserve by the Totality and the Council State. The National Intranet, as part of the VCS Economy's Information Sector and under the oversight of the Ministry of Science and Technology, and the Reciprocal-Reserve Banking System are just as capable of creating national wealth. The same assertion can also be extended to the Military-Industrial Complex.



Author's diagram of the LER and LERE Processes in the Life-Energy Reserve, expanded in greater detail to include the Work-World, the Digital Tournament (which falls under the auspices of the National Intranet). Red and Green Arrows indicate the flow of Arbeit and Geld around the nation. The Blue and Yellow arrows are the Arbeit and Geld created from NSFIs and Work-Tenures respectively.

On the National Intranet, the LERE (Life-Energization Reciprocal Electrification) Process has Digital Arbeit and Digital Geld originating from all economic and financial activities on the National Intranet of the Socialist Nation, its access to the International Internet and a National Intranet of another Socialist nation with its Currency pegged to the Work-Standard. With the VCS Economy and the SSE relying on their own Tournaments, it becomes inevitable to envisage a third Tournament that exists in the Digital Economy and acts as the intermediate between those two Tournaments. The National Intranet's Tournament is only made possible because of the LERE Process and the Social Forums that preside over the Digital Economies.

Preliminary Precautions

Electified Qualities of Arbeit and Geld Formulas

$$(WP(FM) - WI) * \text{No. of Machines} = DAP_N$$

$$AP_N + (DAP_N + \dots + DAP_x) * \text{No. of Machines} = DAE_N$$

$$AE_N + (DAE_N + \dots + DAE_x) * \text{No. of Machines} = DAI_N$$

$$AI + (DAI_N + \dots + DAI_x) * \text{No. of Machines} = DAI_N$$

$$DAP_N * MR = DQP_N$$

$$DAE_N * MR = DQE_N$$

$$DAI_N * MR = DQI_N$$

$$(DQP + DQE + DQI) - \text{Expenditures} = EDW$$

$$DAP_N + (ES_N + \dots + ES_x) * SR_1 = DMP_N$$

$$DAE_N + (ES_N + \dots + ES_x) * SR_1 = DME_N$$

$$DAI_N + (ES_N + \dots + ES_x) * SR_1 = DMI_N$$

$$DMP * SR_2 = QMP$$

$$DME * SR_2 = QME$$

$$DMI * SR_2 = QDI$$

$$(QMP + QME + QDI) + \text{Revenues} = EDM$$

$$(EDW + EDM) + (RTEP + RTFP) = \text{LER Account}$$

DAP = Digital Arbeit of Professions	DQP = Digital Quality of Arbeit for Professions
DAE = Digital Arbeit of Enterprises	DQE = Digital Quality of Arbeit for Enterprises
DAI = Digital Arbeit of Industries	DQI = Digital Quality of Arbeit for Industries
DMP = Digital Geld of Professions	QMP = Digital Quality of Geld for Professions
DME = Digital Geld of Enterprises	QME = Digital Quality of Geld for Enterprises
DMI = Digital Geld of Industries	QMI = Digital Quality of Geld for Industries

To begin, it is important to understand that all Digital Enterprises are capable of contributing Actual Arbeit and Actual Geld as well as Digital Arbeit and Digital Geld. The Actual Arbeit and Actual Geld comes from the construction, operation and maintenance of the digital infrastructure behind the National Intranet. Those contributions are always accounted for in the Information Sector of the VCS Economy. The Digital Arbeit and Digital Geld, meanwhile, comes from allowing the Totality to create digital goods and render digital services on the National Intranet through the Tournament. The latter is always affected by the LERE Process.

A good example is the concept of eCommerce. There is Digital Arbeit and Digital Geld from the production of digital goods and the rendering of digital services. As for the Actual Arbeit and Actual Geld, somebody else was responsible for operating and maintaining the storehouses where the finished products are stored. Somebody else was also responsible for transporting, distributing, and delivering an ordered product to the customer. Their contributions have to be accounted for with the rest of the VCS Economy.

When Economic Planners and Accountants of Digital Enterprises determine their contributions of Digital Arbeit and Digital Geld, they do so separately from the contributions of Actual Arbeit and Actual Geld. After obtaining the Quality of Arbeit and Quality of Geld for the Digital Enterprises, they proceeded to determine the TEP and TFP values, followed by the RTEP and RTFP values with the Attrition/Inaction Rate. Only after they have found the RTEP and RTFP values will the Economic Planners and Accountants start finding the Quality of Digital Arbeit (EDW) and the Quality of Digital Geld (EDM). The EDW is added toward the RTEP value and the EDM value is added toward the RTFP value.

How to Find Qualities of Digital Arbeit and Digital Geld

The Economic Planner and their Accountants begin by multiplying Work-Productivity (WP) and Force Multipliers (FMs), subtracting it from Work-Intensity (WI), and then multiplying it again by the number of machines per Profession. The same operation would be repeated for the Vocations in charge of the machinery. The sum of the Arbeit done by the Vocations and those done by the machines were multiplied by the Mechanization Rate (MR). All Expenditures were then deducted to yield Quality of Digital Arbeit (EDW).

For Digital Geld, the value of the Arbeit done by both the Vocations and the machinery were added toward the sum of Economic Socialization (ES) and the first half of the Solidarity Rate (SR₁). Most Digital Enterprises are guaranteed to allow other Enterprises to conduct themselves on the National Intranet in one form or another. A single Digital Enterprise eCommerce website for instance could allow hundreds of small Social Enterprises, like Cooperatives, Small Businesses and Workshops, to contribute additional sources of Actual Arbeit. This is referred to in the LERE Process as “*Arbeit begetting Arbeit*,” its implications to be explored in another Treatise.

Unlike the ES value, SR₁ as the quotient of Scale and Duration of the production process remains the same, as is the other half of the Solidarity Rate (SR₂), the Scope and Density of the production process. When both halves of the Solidarity Rate have been accounted for, the final step is to add all Revenues that the Digital Enterprise had gained from its transactional sales. The Quality of Digital Geld has been uncovered.

One will notice that not once was the Attrition/Inaction Rate. Instead, the Quality of Digital Arbeit was included with the sum of RTEP and the Quality of Digital Geld with the sum of RTFP. The Implicit Intent has to do with the fact that the Vocations involved are relying on the machinery to performance their economic activities. The Actual Arbeit and Actual Geld to be gained from Professions like computer software programming is more indirect and less direct than the Profession that was responsible for manufacturing the computer hardware. More importantly, Digital Enterprises and their related Professions are the ones that the Central Bank calls upon to implement the automated technologies of the Mechanization Rate.

Contributions from the Military-Industrial Complex

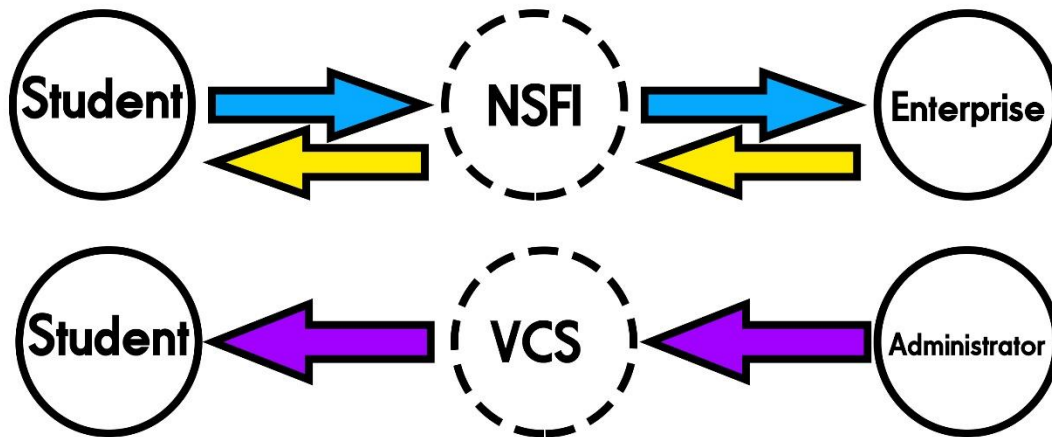
Besides Digital Arbeit and Digital Geld, Economic Planners and Accountants in the Military-Industrial Complex are responsible for overseeing the contributions of Military Arbeit and Military Geld. In the Council State, the Armed Forces contribute Military Arbeit and Military Geld by defending the Socialist Nation. In the VCS Economy's Administrative Sector, the Armaments Industry contributes Military Arbeit and Military Geld through the manufacturing, transportation and distribution of everything that Armed Forces will need. While the Armed Forces have their own dedicated Economic Planners and Accountants in the Ministry of War, civilian Economic Planners and Accountants are assigned to State Enterprises in the Armaments Industry.

Military Arbeit and Military Geld, unlike Digital Arbeit and Digital Geld, can be easily converted into Actual Arbeit and Actual Geld. Military Arbeit and Military Geld become Actual Arbeit and Actual Geld whenever the Central Bank is capable of gaining access to financial information on the Military-Industrial Complex from the Council State. Any military actions that the Council State feels safe to disclose to the Central Bank will immediately have the Military Arbeit and Military Geld turned into Actual Arbeit and Actual Geld. In the Final TTP Value, they can be found under the Council State's contributions to the Life-Energy Reserve.

Compared to the Armed Forces, the Economic Planners and the Accountants in the Armaments Industry will have an easier time figuring out the Quality of Arbeit and Quality of

Geld for their Enterprise. This is because the Military Arbeit and Military Geld from the Armaments Industry is automatically converted into Actual Arbeit and Actual Geld. The VCS Economy's Administrative Sector is supposed to be more transparent about what it is doing and the Armaments Industry should be no exception.

Contributions from Financial Investments



There are two primary ways in which a Student from the SSE volunteers to join a VCS Economy: be recruited by an Enterprise's Administrator or invest in it by purchasing its NSFIs at the Kontore.

All NSFIs issued by the Kontore are only designed to ensure contributions of Actual Arbeit and Actual Geld to the Life-Energy Reserve. An Investor purchases an NSFI from the Kontor, pays its Service Fee, and proceeds to devote their Life-Energy to the production process of the Enterprise affected by the NSFI. Most NSFIs are designed to enable the Investor to receive Actual Geld in addition to the Paygrade that the Council State wires to their personal bank account at the end of each workweek.

The Work-Tenures issued by National-Socialized Banks (NSBs) are Interest-free loans that involve contributions of Actual Arbeit and Actual Geld. For every Work-Tenure that an NSB lends, both the lender and the borrower contribute Actual Arbeit and Actual Geld to the Life-Energy Reserve. The arrangement is very similar to that of a Real Trade Agreement (RTA), except the borrower and lender each contribute half of their Arbeit and half of their Geld to the Work-Tenure. Both the lender and the borrower are expected to pay the Work-Tenure through their own contributions of Arbeit and Geld. To break even or to generate additional Arbeit and Geld for the Life-Energy Reserve, the lender and the borrower will need to contribute more Arbeit and Geld than whatever amount of Actual Geld that they had agreed to under the terms of their Work-Tenure. Failure to do so will result in them accumulating Schuld.

Where simply allocating more Actual Geld from the State Budget would not suffice, the Council State is capable of employing taxation and investment policies. The Council State could impose Sonderabgaben (Special Charges) on the economic activities of State and Social Enterprises, the Revenues of which go directly to the affected Enterprises. People's Surcharges may be implemented on Specialty Shops and Foreign Enterprises to reduce the amount of Actual Geld that leaves the Socialist Nation. The latter becomes relevant when the Totality trades their Sociable Currencies for foreign currencies.

NSFI & State Investment Formulas

SI Account = $NSFI_1 + NSB_1 + SI$

EF Account = $NSFI_2 + NSB_2 + PS$

$NSFI_1$ = Domestic Arbeit and Geld from Kontore

NSB_1 = Geld from Domestic Work-Tenures

SI = State Taxation and Investment

$NSFI_2$ = Foreign Arbeit and Geld from Kontore

NSB_2 = Geld from Foreign Work-Tenures

PS = People's Surcharge

$NSFIs$ = Office I + Office II + Office III + Office IV + Office V + Office VI

Office I = $FI_N \pm SF_x$

Office II = $FWP_N \pm SF_x$

Office III = $EQ_N \pm SF_x$

Office IV = $(FEC_1 + FEC_2 \pm SF_x) + (KDM - FEC_3) + (KBM - FEC_4)$

Office V = $((WT_1 \pm SF_x - SH_x) / 2) + ((WT_2 \pm SF_x - SH_x) / 2)$

Office VI = $PR_N \pm SF_x - SH_x$

FI_N = Fiefs

FWP_N = Work-Plans

EQ_N = Equipmentalities

FEC_N = Foreign Exchange Certificates for Sociable and Non-Sociable Currencies

WT_1 = Work-Tenure Arbeit from Domestic Lenders with Domestic Borrowers

WT_2 = Work-Tenure Arbeit from Domestic Lenders with Foreign Borrowers

PR_N = Priority Requisition Value

$\pm SF_x$ = Service Fee

SH_x = Incurred Schuld (if applicable)

For the Economic Planners and Accountants filling out the WSAs with the Reciprocal-Reserve Banking System, the SI-EF Account of their Enterprise becomes relevant. Since their Enterprise is basically allowing Investors to contribute Arbeit and Geld to the Life-Energy, the contributions of the Investors will count as a source of Economic Socialization and as a Force Multiplier. Remember, one of the Force Multipliers of the LER Process is the ability of an Enterprise to encourage Economic Socialization through its own economic activities. Here, we must immediately recall the operational procedures of finding the Quality of Geld. After finding the Enterprise's Quality of Arbeit, we then needed to figure out whether the Enterprise was also allowing other sources of Arbeit through Economic Socialization and how many other Vocations are involved, and then multiply the first half of the Solidarity Rate.

If there are other Vocations affecting an Enterprise's ES value, such as the Investors of an NSFI related to that Enterprise, their Quality of Arbeit and the number of their Vocations will need to be accounted for. Only when all sources of Arbeit are accounted for should the Economic Planners and Accountants be determining their Enterprise's Expenditures and Revenues. The Investors, because of their involvements in the production process and transactional sales, will be affecting the Enterprise's Expenditures and Revenues. That too needs to be accounted for.

State Accounts

The State Accounts represent one of the three main sets of accounts in the WSA for the Council State. The other two are the Domestic and Foreign Accounts, which will be covered later in this Section. Altogether, they denote the contributions of Arbeit and Geld that have been created by the Council State whilst serving the Totality. This includes any Arbeit and Geld that the Council State has been able to facilitate vis-à-vis the Reciprocal-Reserve Banking System, the Military-Industrial Complex, and the National Intranet.

State Account: State Income

State Revenue: The amount of Actual Geld that the Council State receives from the Life-Energy Reserve and from all other sources. The combined Revenues of the Central Government, Regional Governments and the Municipal Governments are found here.

State Spending: The amount of Actual Geld that the Council State has the option of spending from the State Budget. The combined Spending of the Central Government, Regional Governments and the Municipal Governments are found here.

State Expenses: The amount of Actual Geld that the Council State is required to spend using the State Revenues. The combined Expenses of the Central Government, Regional Governments and the Municipal Governments are found here.

State Budget: How much Actual Geld that the Council State has at its disposal. Whatever the Council State decides to spend that is not related to State Expenses is recorded as State Spending. The State Budget also includes the separate budgets of the Central Government, Regional Governments and the Municipal Governments.

State Account: Digital & Military Production

Electrified Quality of Arbeit (EDW): How much of the Life-Energy Reserve is comprised of Digital Arbeit under the LERE Process. Unlike Actual Arbeit, Digital Arbeit is primarily contributed to the Life-Energy Reserve by the various Digital Enterprises that are operating in the National Intranet. The LERE Process was devised to convert the Digital Arbeit into Actual Arbeit and then into Actual Geld.

Electrified Quality of Geld (EDM): How much of the Life-Energy Reserve is comprised of Digital Geld under the LERE Process. Unlike Actual Geld, Digital Geld is primarily contributed to the Life-Energy Reserve by the various Digital Enterprises that are operating in the National Intranet. The LERE Process was devised to convert the Digital Geld into Actual Geld before becoming State Revenues for the Council State.

Quality of Military Arbeit (WAF): How much of the Life-Energy Reserve is comprised of Military Arbeit from the Military-Industrial Complex. Any Military Arbeit that the Military-Industrial-Complex created must be converted into Actual Arbeit under the LER Process.

Quality of Military Geld (MAF): How much of the Life-Energy Reserve is comprised of Military Geld from the Military-Industrial Complex. Any Military Geld that the Military-Industrial-Complex created must be converted into Actual Geld under the LER Process.

State Account: Financial Investments

Domestic NSFIs and Work-Tenures: How much Arbeit and Geld came from the issuances of NSFIs and Work-Tenures intended for the Totality, the SSE, and the VCS Economy.

Foreign NSFIs and Work-Tenures: How much Arbeit and Geld came from the issuances of NSFIs and Work-Tenures intended for Foreigners and Foreign Enterprises.

State Investments and People's Surcharges: All taxes and investments introduced to the Socialist Nation by the Council State for the purposes of supporting the SSE, VCS Economy, Reciprocal-Reserve Banking System, or National Intranet.

Official State Functions (OSF): OSFs refer to the mundane and regular activities associated with the Council State. The Council State is responsible for specific activities capable of contributing Arbeit and Geld to the Life-Energy Reserve, but cannot be entrusted to the SSE, VCS Economy, Reciprocal-Reserve Banking System or the National Intranet. It also includes the sum of all Arbeit and Geld that can be found in the Administrative Sector of the VCS Economy.

Communion, Social and household Accounts

The Communion, Social and Household Accounts of WSA are meant to be integrated into the National Accounts once they have been uncovered. Each Enterprise maintains a Communion Account and Social Accounts, that latter of which is to be divided further into a single Household Account for each Vocation. These three accounts can be readily distinguished by their Incomes, Finances, and Spending. On the WSA, there is a column covering incomes, a second column for production, and a third for expenditures for all three accounts. Every conceivable source of Arbeit and Geld in the Domains of the Work-World will be found for the Accountants to record, track and process for the Economic Planners to perform advisory roles for the Administrators of Enterprises and the Delegates of Civil Servants in a functioning Council Democracy. The Inspectors perform auditory roles on behalf of State Commissars and Superintendents, who perform their own roles at the State Commissariats, employing Council Democracy to set Prices and Paygrades on the Totality's behalf. Here, the political, the economic, the financial, the social, and the cultural operate in unison to form fundamental basis of Production for *Dasein*.

Communion Account: Organizational Income

Social Revenue: The amount of Actual Geld that the Enterprise receives from any transactional sales at the Tournament. The Social Revenue may be distributed among the personnel of the Enterprise, spent to continue the production process, or saved for later.

Social Spending: The amount of Actual Geld that the Enterprise loses on anything that is not related to the production process and its transactional sales at the Tournament. All other expenditures will be recorded here along with any Stipends issued by the Council State and any Non-Essential Costs.

Social Expenses: The amount of Actual Geld needed to sustain the production process and conduct transactional sales in the Tournament. Every Enterprise is required to spend Actual Geld as part of its overall Production Costs.

State Funds: The amount of Actual Geld that came from the Council State. The Council State allocates Actual Geld from its State Budget to each Enterprise to continue contributing more Arbeit and Geld to the Life-Energy Reserve and to provide everyone their weekly Paygrades.

Communion Account: Organizational Finances

Product Outputs: The amount of Actual Arbeit that came from the creation of goods and services as part of an Enterprise's production process and concluding transactional sales.

Transactional Sales: How much Actual Geld was gained from selling the finished products of production processes at the Tournament. This only applies to the entire Enterprise.

Basic Essential Sales: The amount of Actual Arbeit and Actual Geld that were the results of economic activities that were made possible because of Economic Socialization. Everything covered here is anything that was required by the State, the Totality, and the Self for their production processes.

Non-Essential Sales: The amount of Actual Arbeit and Actual Geld that came from Enterprises expanding their economic activities beyond their primary production processes. Any Enterprise that diversifies beyond its original Industry documents those contributions here.

Communion Account: Organizational Spending

Resource Inputs: The amount of Actual Geld spent on Equipmentalities, components, and semi-finished goods that the Enterprise needs to function. Corresponds with the Product Outputs.

Production Costs: The amount of Actual Geld that had to be spent on the creation of Actual Arbeit as part of the production process. Corresponds with the Enterprise's Social Expenses.

Essential Costs: The amount of Actual Geld that had to be spent in order to continue sustaining the production process. For most Enterprises, Essential Costs include payments of water, electricity, heating, ventilation and air conditioning, fuel, repair and maintenance, transportation and distribution. Corresponds with the Enterprise's Social Expenses.

Non-Essential Costs: The amount of Actual Geld that had to be spent in order to diversify the production process and facilitate the transactional sales of Non-Essentials by an Enterprise. Corresponds with the Enterprise's Social Spending.

Social Account: Social Income

People's Revenue: The amount of Actual Geld that the Council State allocated to the personnel of an Enterprise as part of their weekly Paygrade. This value is almost always assumed to be a given until the State Commissariats of Wages and Price decide that the weekly Paygrades should be increased or decreased in response to current economic conditions.

People's Spending: The amount of Actual Geld that was spent by the personnel of the Enterprise that was unrelated to its production process and transactional sales. Any Stipends issued by the Council State and Non-Essential Costs are covered here.

People's Expenses: The amount of Actual Geld that was spent by the personnel of the Enterprise to create Actual Arbeit. Production Costs and Essential Costs are covered here.

People's Geld: The amount of Actual Geld currently held by the personnel of the Enterprise. This is the combined total of all Actual Geld within their Household Accounts.

Social Account: Social Finances

Drawings: The amount of Actual Geld that the personnel of the Enterprise have withdrawn from its Organizational Income. For smaller Enterprises, such as Cooperatives and Small Businesses, any Actual Geld not received from the Council State may be distributed among its personnel.

Transactional Sales: The amount of Actual Geld that different Professions within the Enterprise have generated through transactional sales at the Tournament.

Basic Essential Sales: The amount of Actual Arbeit and Actual Geld different Professions within the Enterprise created through Economic Socialization. Everything covered here is anything that was required by the State, the Totality, and the Self for their production processes.

Non-Essential Sales: The amount of Actual Arbeit and Actual Geld that came from Professions expanding their economic activities beyond their primary production processes. Any Profession that diversifies beyond its original Enterprise documents those contributions here.

Social Account: Social Spending

Stipends: The amount of Actual Geld that different Professions within an Enterprise were allowed receive by the Council State as part of their economic activities. Every Stipend is issued separately from the weekly Paygrade. Corresponds with Social Spending of the Enterprise.

Production Costs: The amount of Actual Geld that had to be spent by different Professions within the Enterprise for the creation of Actual Arbeit as part of the production process. Corresponds with the Social Expenses of the Enterprise.

Essential Costs: The amount of Actual Geld that different Professions within the Enterprise had to spend in order to sustain the production process. Corresponds with Enterprise's Social Expenses.

Non-Essential Costs: The amount of Actual Geld that had to be spent in order to diversify the production process and facilitate the transactional sales of Non-Essentials by an Enterprise's Professions. Corresponds with the Social Spending of the Enterprise.

Household Account: Household Income

Personal Revenue: The amount of Actual Geld that the Council State allocated to the Vocation of an Enterprise as part of its recipient's weekly Paygrade. This value is almost always assumed to be a given until the State Commissariats of Wages and Price decide that the weekly Paygrades should be increased or decreased in response to current economic conditions.

Personal Spending: The amount of Actual Geld that was spent by an individual Vocation of the Enterprise that was unrelated to its production process and transactional sales. Any Stipends issued by the Council State and Non-Essential Costs are covered here.

Personal Expenses: The amount of Actual Geld that was spent by the personnel of the Enterprise to create Actual Arbeit. Production Costs and Essential Costs are covered here.

Personal Geld: The amount of Actual Geld currently held by the personnel of the Enterprise. This is the combined total of all Actual Geld within their Household Accounts.

Household Account: Household Finances

Drawings: The amount of Actual Geld that an individual Vocation had withdrawn from the Enterprise's Organizational Income. For smaller Enterprises, such as Cooperatives and Small Businesses, any Actual Geld not received from the Council State are covered here.

Transactional Sales: The amount of Actual Geld that an individual Vocation has generated for its Enterprise at the Tournament as part of a larger Profession. Combining the Transactional Sales of that Vocation and all the other Professions will yield the total value for the entire Enterprise.

Basic Essential Sales: The amount of Actual Arbeit and Actual Geld that a Vocation within the Enterprise has created through Economic Socialization. Everything covered here is anything that was required by the State, the Totality, and the Self for their production processes.

Non-Essential Sales: The amount of Actual Arbeit and Actual Geld that came from Vocations expanding their economic activities beyond their primary production processes. Any Profession that diversifies beyond its original Enterprise documents those contributions here.

Household Account: Household Spending

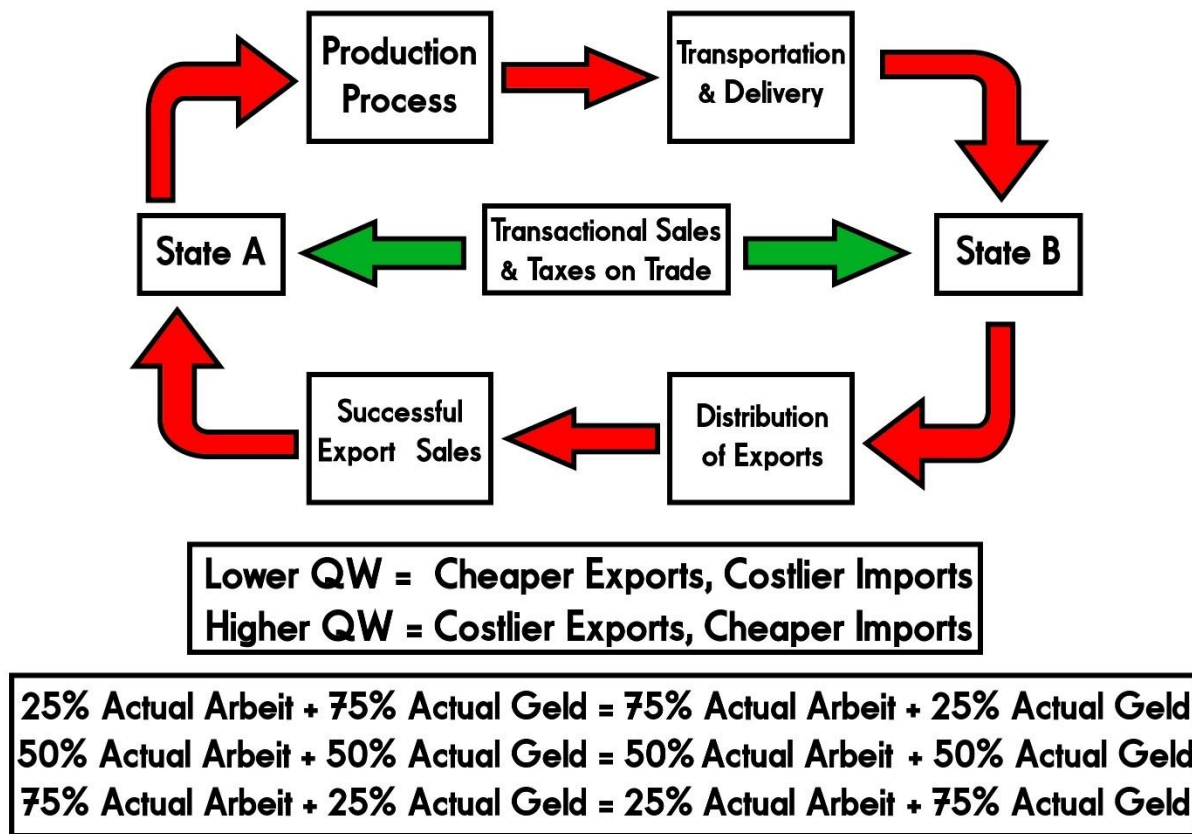
Stipends: The amount of Actual Geld that individual Vocations within an Enterprise were allowed receive by the Council State as part of their economic activities. Every Stipend is issued separately from the weekly Paygrade. Corresponds with Social Spending of the Enterprise.

Production Costs: The amount of Actual Geld that had to be spent by individual Vocations among the Professions of the Enterprise for the creation of Actual Arbeit as part of the production process. Corresponds with the Social Expenses of the Enterprise.

Essential Costs: The amount of Actual Geld that individual Vocations within the Enterprise had to spend in order to sustain the production process. Corresponds with Enterprise's Social Expenses.

Non-Essential Costs: The amount of Actual Geld that had to be spent in order to diversify the production process and facilitate the transactional sales of Non-Essentials by an Enterprise's individual Vocations. Corresponds with the Social Spending of the Enterprise.

Domestic and Foreign Accounts



Author's Diagram of the LER Process within Real Trade Agreements (RTAs).

The Domestic and Foreign Accounts of the Council State are special accounts that are specifically related to its other finances. Some of these finances pertain to the Socialist Nation's overall Expenditures, its Sovereign Schuld and other sources of Arbeit and Geld. Some are related to how much the Council State contributes to the Life-Energy Reserve through International Trade under Real Trade Agreements. The rest of the Domestic and Foreign Accounts concern the development of Technology and, assuming the World State Organization (WSO) does not already exist, whatever Kapital that Socialist Nation happens to be gaining from trading with Liberal Capitalist regimes and any other countries that are not relying on the Work-Standard.

Domestic Account: National Costs

National Spending: The combined total of all spending in the Socialist Nation. It represents the sum of State Spending, Social Spending, People's Spending, and Personal Spending.

National Expenses: The combined total of all expenses in the Socialist Nation. It represents the sum of State Expenses, Social Expenses, People's Expenses, and Personal Expenses.

Sovereign Schuld: The amount of Schuld owed by the Council State. The Council State begins to accumulate Schuld whenever it finds itself in the midst of a budgetary deficit. Outside of that

notable instance, it often occurs whenever the Council State fails to pay its own State Expenses or whenever the Actual RPF Value is not on par with the Final TPP Value.

People's Schuld: The amount of Schuld owed by the Totality. The Totality begins to accumulate Schuld whenever the SSE, VCS Economy, Reciprocal-Reserve Banking System and National Intranet find themselves in the midst of a budgetary deficit. It can also whenever either or all of them fail to keep their own Expenses and Spending under control.

Personal Schuld: The amount of Schuld owed by the Self. The Totality begins to accumulate Schuld whenever someone fails to keep their own Expenses and Spending under control.

Domestic Account: National Development

National Licenses: The amount of Actual Geld from the purchases of production licenses by other nations, the issuance of technical patents, and the maintaining of Intellectual Property. Intellectual Property under the Work-Standard fulfills a niche role as far as its conception of Property Rights is concerned. Intellectual Properties become capable of contributing Arbeit and Geld whenever a Self allows the State and Totality to develop Technology based on them.

National Technology: The amount of Actual Arbeit and Actual Geld or Digital Arbeit and Digital Geld from research and development and implementation of Technology developed in the Socialist Nation. Scientists, engineers, technicians, and others are always designing new inventions and applications, their endeavors supported by funding from the Council State's Ministry of Science and Technology. The fiscal implications of those projects can be found here.

National Culture: The amount of Actual Arbeit and Actual Geld from economic activities related to the Totality's expression of their National Culture. Examples may include, but are not limited to annual festivities, religious processions, historical reenactments, musical concerts and operas.

National Tourism: The amount of Actual Arbeit and Actual Geld or Digital Arbeit and Digital Geld from economic activities associated with the Tourist Industry, which is attached to the Services Sector of the VCS Economy. Museums, art galleries, attractions and amusement parks, casino gambling, religious pilgrimages, and access to the National Intranet by Foreigners are all notable examples that can be found here.

National Media: The amount of Actual Arbeit and Actual Geld or Digital Arbeit and Digital Geld from economic activities associated with State Media, Social Media, and Student Media. Every conceivable medium of mass communications and mass media can be found here.

Domestic Account: National Spending

RTA Spending: The amount of Actual Geld that the Council State must pay as a result of importing anything that is not required for a particular production process or transactional sale. Luxury goods, consumer goods, vehicles, aircraft, weapons, and other products that could just as easily be made in the Socialist Nation by the VSC Economy are all examples.

RTA Expenses: The amount of Actual Geld that the Council State must pay as a result of importing anything required for a particular production process or transactional sale. Natural resources and Equipmentalities required by the Manufacturing Sector is one example.

Foreign Aid: The amount of Actual Geld that the Council State has set aside to promote development the other nations. In a world order where Neoliberalism rules over most countries,

the Socialist Nation will quickly discover that it is in its best interest to help other countries develop themselves to such an extent that they will be able to adopt the Work-Standard themselves.

Technology Costs: The amount of Actual Geld that the Council State has set aside to pay for the costs of deploying Technology, such as the procurement of production licenses from other nations or the maintenance of automated technologies required by the Central Bank. Remember, the Central Bank relies on automated technologies to implement the Mechanization Rate.

R&D Costs: The amount of Actual Geld that the Council State has set aside to pay for the costs of developing Technology. The scientists, engineers, technicians and others are not operating on a limitless budget. The Council State will eventually be expecting results from their endeavors.

Foreign Account: Foreign Reserves

SFR Account: The Sociable Foreign Reserve (SFR) Account refers to the Sociable Currencies that the Central Bank keeps for the Council State to trade with other nations that have already adopted the Work-Standard. As the Socialist Nation continues to prosper and thrive, it will eventually convince its neighbors and other countries in different parts of the world to adopt the Work-Standard, and the Council State will begin accumulating foreign Sociable Currencies.

KDM Account: The Kapital of Dirty Money (KDM) Account refers to any currencies that the Central Bank keeps for the Council State to trade with non-Neoliberal nations that have not adopted the Work-Standard yet. This will change when those countries adopt the Work-Standard.

KBM Account: The Kapital of Blood Money (KBM) Account refers to any currencies that the Central Bank keeps for the Council State to trade with Neoliberal nations. Like the KDM Account, the KBM Account will disappear once the World State Organization is established.

Foreign Account: Foreign Development

Economic Foreignization: The value of Arbeit and Geld from products created by Foreign Enterprises and later sold to the Council State through transactional sales under the terms of a Real Trade Agreement. At least half of the Arbeit and Geld goes to the Foreign Enterprise, the other half going to the Socialist Nation's Life-Energy Reserve.

Social Foreignization: The value of Arbeit and Geld from products created by State and Social Enterprises and later sold to Foreigners or Foreign Enterprises through transactional sales under the terms of a Real Trade Agreement. At least half of the Arbeit and Geld goes to the Foreign Enterprise, the other half going to the Socialist Nation's Life-Energy Reserve.

Net Foreignization: The value of Arbeit and Geld contributed to the Life-Energy Reserve by Foreigners and Foreign Enterprises, regardless of their country of origin. Anyone who visits the Socialist Nation for work or study and any Foreign Enterprises that happen to be operating in the Socialist Nation will eventually be committing their Life-Energy toward the contribution of Arbeit and Geld to the Life-Energy Reserve. Exactly how much may be dependent on the terms of a Real Trade Agreement with their country of origin.

Foreign Account: Foreign Spending

RTA Revenue: The amount of Arbeit and Geld from all production processes and transactional sales conducted under the terms of a Real Trade Agreement. For every conceivable economic activity that the Socialist Nation does under an RTA, at least half of the Arbeit and Geld is contributed to the Life-Energy Reserve.

RTA Income: The amount of Sociable Currencies and non-Sociable Currencies that the Socialist Nation has gained from economic activities under the terms of a Real Trade Agreement. It represents the sum total of the SFR Account, KDM Account and KBM Account.

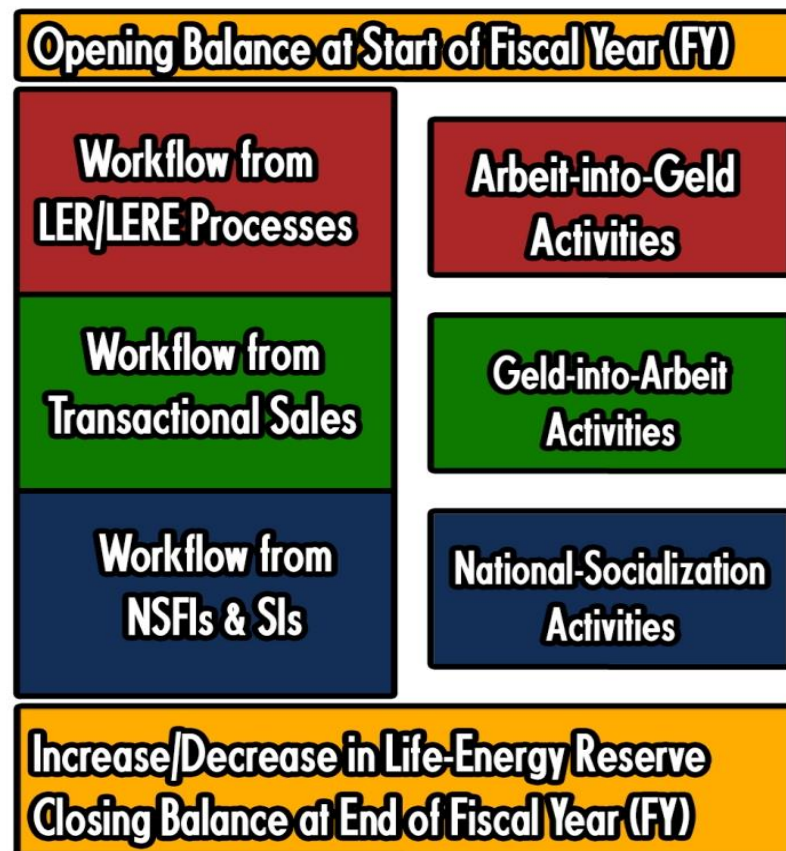
Development Aid: If the Socialist Nation, for whatever reason, happens to find itself requiring foreign aid from other countries, the value of that foreign aid can be found here. This also includes any weapons, vehicles, aircraft, warships, natural resources, tools, machinery, and so forth.

WSA Financial Reports

Everything there is to know about the Worksheet of Sociable Accounts (WSAs) has been described. Although a separate Treatise needs to be written to provide further information on Command-Obedience Account Bookkeeping's accounting techniques, the rest of this Section will be devoted to the three WSA Financial Reports, followed by descriptions of how Paygrades and Prices are to be determined by the State Commissariats of Wages and Prices. For the Economic Planner and their retinue of Accountants, they do not need the WSA to give the Administrator, Delegate, Civil Servants and even the Inspector a clear picture of the overall performance of their Enterprise. It is for this Intent alone that three types of WSA Financial Reports were devised. These three WSA Financial Reports are called the "WSA Workflow Statement," the "WSA Income Statement," and the "WSA Balance Sheet."

Workflow Statement

WSA Workflow Statement



The WSA Workflow Statement is designed to provide an overview of the Arbeit and Geld being generated by a given Enterprise. At the top of the document is the "Opening Balance at Start of Fiscal Year (FY)." This is the amount of Geld that an Enterprise had the beginning of a given Fiscal Year. It is meant to serve as a reminder of how much Geld has been gained or lost by an Enterprise during the course of its economic activities.

On the left-hand Obedience-side of the Workflow Statement are the Workflows of Arbeit and Geld that the Enterprise gained from three areas. These are the numerical values of Arbeit and Geld that the Enterprise got from its production process, transactional sales, and any NSFIs from the Kontore and State Investments from the Council State. On the right-hand Command-side are the descriptions of those of economic activities. They are the sources of the Arbeit and Geld, giving the Economic Planner and the Accountants as well as whoever else is reading the Workflow Statement as to exactly where the Arbeit and Geld are coming from.

The primary purpose of the Workflow Statement is to document the transferring of Arbeit and Geld from the Enterprise to the Life-Energy Reserve. It is also designed to provide information on whether the Enterprise is receiving any Geld from the Council State as well as how much Geld it is receiving from the Tournament in transactional sales. At the bottom of the Workflow Statement is the sum total of the Enterprise's contributions of Arbeit and Geld to the Life-Energy Reserve and the Closing Balance of the Enterprise at the end of a given Fiscal Year.

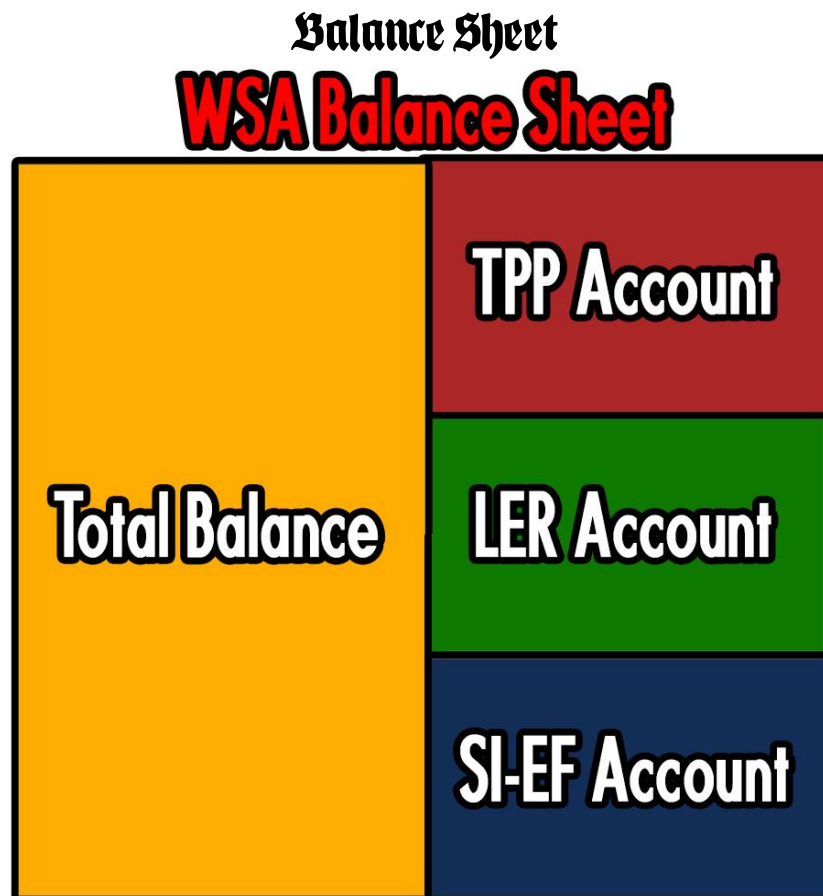
Income Statement

WSA Income Statement

Revenues	TPP Account
Spending	
Expenses	
Outputs	LER Account
Sales	
Essential Costs	SI-EF Account
Non-Essential Costs	

The Income Statement details the Revenues and Expenditures of the Enterprise. This is where we reencounter those Revenues and Expenditures variables from when we were trying to find the TEP and TFP values over the course of an earlier Entry. On the Obedience-side, the Enterprise's Revenues, Spending, and Expenses correspond to the TPP Account on the Command-side. Its Outputs and Sales are listed next to the LER Account, its Essential Costs and Non-Essential Costs next to the SI-EF Account.

The TPP Account informs us as to how much Geld the Enterprise makes in Revenues and how much it loses as part of its overall Expenditures. The final value of the TPP Account comes from the LER Account and the SI-EF Account. The LER Account documents the Revenues it receives from the production process and from all of its transactional sales. The SI-EF Account denotes all Revenues and Expenses required for the Enterprise's production process and transactional sales, followed by Revenues and Expenses from outside of an Enterprise's production processes and transactional sales. These designations of course correspond to the Communion and Social Accounts of the Enterprise and the Household Accounts of its personnel.



The Balance Sheet is arguably the simplest and most straightforward of the three WSA Financial Reports. The Total Balance of the Enterprise is the value of its Revenues from transactional sales, its contributions of Arbeit and Geld to the Life-Energy Reserve, and how much Arbeit and Geld it contributes through NSFIs. All Expenditures are meant to be accounted for in the TPP Account, LER Account, and SI-EF Account before finding the Total Balance.

State Budgetary Allocations

The Workweek

The average workweek in the Socialist Nation under the Work-Standard is intended to achieve and maintain a regular median of forty (40) hours for most Vocations. Most Vocations spend eight (8) hours per day across five of the seven days that comprise the workweek. It is possible for somebody to be working on weekdays and weekends as part of the forty hour workweek. They may have their Sundays and Mondays off, but they are still interacting with their Vocations each week for at least 40 hours.

The minimum number of hours that the Council State will allow is thirty-two (32) hours, where the Totality spends four of the seven days of the workweek at their Vocations. The maximum number of hours allowed for the work-week in peacetime conditions is fifty-six (56) hours, where everyone spends eight hours interacting with their Vocation on all seven days of the week. In wartime conditions, the Council State reserves the authority to immediately implement a fifty-six hour workweek in order to coordinate the Socialist Nation's war effort.

Anyone who has a workweek shorter than thirty-two (32) hours must receive a Direct Order from their physicians or the courts. Only then can they be exempted. Conversely, anyone who has a workweek longer than 56 hours is deemed as essential personnel committed to specific Professions. The nature of those professions demands the need for longer working hours, and it is to be expected by anyone who intends to pursue them as early as their teenage years back in the SSE. The professions in question will include, but may not always be limited to:

- Medical Professions
- Educational Professions
- Religious Professions
- Military and Intelligence Professions
- Emergency Service Professions
- Bankers and Investors
- Accountants, Economic Planners and Central Planners
- Inspectors, State Commissars, and Superintendents
- Government Professions
- Legal Professions

Each of those Professions are related to some aspect of the Central Government, namely the Council State and the Reciprocal-Reserve Banking System. It is normal to expect somebody from one of those Professions to be working longer than 56 hours under certain conditions. This is especially the case during wartime, where the Socialist Nation must be capable of achieving full combat readiness in very short order before proceeding to engage the enemy.

No matter how long the workweek will be, the Central Bank will always have the same workweek as the rest of the Totality. In this case, the Central Bank begins its workweek on Mondays and finishes it on Fridays. The Intent of this is to provide a window of opportunity for the VCS Economy, the SSE, Reciprocal-Reserve Banking System, the Kontore and State Commissariats, and the Council State to contribute Arbeit and Geld to the Life-Energy Reserve.

On its WSA, the Central Bank determines the Final TPP Value and sets the Actual RPF Value on Saturday. The Central Bank acquires the Final TPP Value by taking the sum totals of the TPP Account, LER Account and SI-EF Account for today and the previous six days. It forwards

that information to the Head of State, Head of Government, State Council, Central Planners and Superintendents by midnight on the following Sunday. The rest of the Socialist Nation learns of the Central Bank's decisions when morning comes, coinciding with the Council State's distribution of weekly Paygrades to each household.

At the end of every workweek, any Arbeit and Geld inside the Life-Energy Reserve is immediately turned into State Revenues by the Central Bank. The Council State then spends the State Revenues on all of its State Expenses. Anything left over is allocated to the State Budget, which the Council State is thereby allowed to reallocate elsewhere. If State Expenses surpass State Revenues, any Actual Geld in the Council State's State Budget will automatically be deducted. If the State Budget is empty, then the Council State is in a fiscal deficit and will begin accumulating Sovereign Schuld until it can regain a balanced budget. Using Command-Obedience Account Bookkeeping, we can format that operational procedure as the following:

<i>Obedience</i>		<i>Command</i>	
<i>State Budget</i>	<i>Weekly Balance</i>	<i>State Revenues</i>	<i>State Expenses</i>
1,000 GDM	+200	400 GDM	200 GDM
1,400 GDM	+400	600 GDM	200 GDM

In the past two workweeks, the Council State had a State Budget 800 GDM. Its overall State Expenses were 200 GDM. The last workweek saw the Council State achieving State Revenues of 400 GDM, resulting in a budgetary surplus of 200 GDM. The Council State ended the last workweek with a State Budget of 1,000 GDM.

On this workweek, the Council State succeeded in keeping its State Expenses at 200 GDM. It also increased its State Revenues to 600 GDM, yielding a budgetary surplus of 400 GDM. The Council State will be ending the workweek with 1,400 GDM left over for the next workweek. That is 1,400 GDM that the Council State could spend now or save for the future.

Allocating the State Budget

The new workweek begins on Sunday morning, the day after the Central Bank had finished determining the Final TPP Value and settled on the Actual RPF Value. While the Totality is receiving their Paygrades and proceeding to begin the new workweek, the Council of Ministers in charge of the Council State's Ministries send their weekly reports to the State President, State Chancellor, and State Council. Each Minister provides an overview and summary of their activities, including a rundown of their organizational finances.

Any Actual Geld needed by the Ministries and their Departments and Offices are allocated to them. This will coincide with the allocations of any additional Actual Geld required by the SSE, VCS Economy, Reciprocal-Reserve Banking System, and National Intranet, all of whose operating and upkeep costs have already been paid for by the Council State as part of its State Expenses. When the Council State does decide to allocate additional Actual Geld to an Enterprise in the VSC Economy, for instance, the State President, State Chancellor, State Council, Central Planners and Superintendents will be presented with a simple table related to that Enterprise. Using Command-Obedience Account Bookkeeping, we can format that table as the following:

<i>Obedience</i>		<i>Command</i>	
<i>Weekly Allocation</i>	<i>Budgetary Proposal</i>	<i>Required Minimum</i>	<i>Weekly Balance</i>

On the Obedience-side are the Weekly Allocations and Budgetary Proposals, with Required Minimums and Weekly Balances on the Command-side. The Weekly Allocations indicate how much Actual Geld is being allocated from the State Budget to an Enterprise for its economic activities and the Paygrades of its personnel. It should always be identical to the Required Minimum on the Command-side. Both the Weekly Allocation and the Required Minimum are applicable to the current workweek.

The Budgetary Proposal determines how much the Council State intends to allocate to the affected Enterprise. Any changes to the budget of the affected of the Enterprise is recorded under the Weekly Balance on the Command-side. Unlike the Weekly Allocation and Required Minimum, the Budgetary Proposal and Weekly Balance will the finances of the affected Enterprise in the next workweek, when the next round of allocations is scheduled to occur.

To demonstrate Command-Obedience Account Bookkeeping in the allocations of the State Budget, recall that the Council State the Council State currently has 1,400 GDM. There is an Enterprise in the VCS Economy that receives a Weekly Allocation of 600 GDM and a new Required Minimum of 800 GDM. The Council State must allocate 200 GDM to that Enterprise in order for it to break even within its own finances. The Council State is now left with 1,200 GDM.

<i>Obedience</i>		<i>Command</i>	
<i>Weekly Allocation</i>	<i>Budgetary Proposal</i>	<i>Required Minimum</i>	<i>Weekly Balance</i>
600 GDM	800 GDM	800 GDM	+200

Meanwhile, suppose there is another Enterprise, a State Enterprise, within the VCS Economy that has a Weekly Allocation of 1,000 GDM and a new Required Minimum of 600 GDM. That State Enterprise has been able to keep its costs down and gained more Actual Geld in transactional sales at the Tournament. The Council State can decide to lower its Weekly Allocation for next week with a Budgetary Proposal of 600 GDM, the Weekly Balance reflecting a 400 GDM decrease.

<i>Obedience</i>		<i>Command</i>	
<i>Weekly Allocation</i>	<i>Budgetary Proposal</i>	<i>Required Minimum</i>	<i>Weekly Balance</i>
1,000 GDM	600 GDM	600 GDM	-400

Paygrades and Prices

The term “Wage,” as it appears in the official legal name of the State Commissariats, is in reference to the “Wage Scale” under Command-Obedience Account Bookkeeping. The Paygrade Scale on the Command side is affected by the proposed alterations on the Obedience side. The Command side has a “Proposed Bracket” intended to reset the Income Brackets of the Paygrade Scale on the Command Side. The Years of Service and the Number of Dependents fall under the “Proposed Payments.” Any changes are reflected in the “Income Difference.”

Prices for certain goods and services are not always going to be the same throughout the country. For instance, the Price of zero-carbon synthetic fuels are often higher at the gas stations in the major cities, whereas the Price is more likely to be lower for the gas stations in the countryside. Those are examples of the “Official Regional Price (ORP).” Meanwhile, the Prices for other goods and services are affected by the “Average National Price (ANP).” The Price for a single load of bread is more likely to be the same in the whole country.

How State Commissariats Determine Prices

Suppose there are two State Commissariats trying to determine the Official Regional Prices of synthetic fuel for their respective regions. A State Commissariat with the national capital as its jurisdiction as listed its ORP as “5.49 GDM per Liter,” the other is way out in the countryside with its ORP at “3.16 GDM per Liter.” The Council State has a 2% Fuel Tax. If the Socialist nation was small enough to only have two State Commissariats, we can determine the Average National Price based by finding the Average of both Prices. The State Commissars will find the actual Prices before applying the Fuel Tax and then determine the Mean of both Prices to obtain the Average.

5.49 GDM / 2% Fuel Tax = 2.74 GDM per Liter (before Fuel Tax)

3.16 GDM / 2% Fuel Tax = 1.58 GDM per Liter (before Fuel Tax)

(5.49 GDM + 3.16 GDM) / 2 State Commissariats = 4.33 GDM

Average National Price for 1 Liter of Synthetic Fuel					
Quality (Obedience)			Frequency (Command)		
Current Price	Current Minimum	Expense/Revenue	Proposed Price	Current Minimum	Expense/Revenue
4.33 GDM	0.85 ⌘	+3.48 GDM			

This table, based on Command-Obedience Account Bookkeeping, indicates that it costs the State about 0.85 ⌘ to produce 1 Liter of Synthetic Fuel. Given the two State Commissariats, the Mean value of the ANP based on the two ORPs is “8.65 GDM,” the Average listed as the Current Price of “4.33 GDM.” Every 1 Liter of Synthetic Fuel generates an Average of 3.48 GDM. Barring the 2% Fuel Tax, the Council State was not directly involved in the decision-making process of those two State Commissariats.

Here is another example where the State Commissariats of Wages and Prices is going to be involved in the VCS Economy’s Tournament. Somewhere in the own Socialist Nation, various Enterprises from the Natural Sector proposing the Average National Price for a single loaf of bread to be increased from its Current Price at “0.43 ⌘ GDM” to a new Proposed Price of “0.53 ⌘ GDM.” A decision was made because the Current Minimum for the production of loaves of bread by

bakeries has risen to “0.50 ₤ GDM,” causing the State Expense to rise by 0.07 ₤. Therefore, raising the Price to 0.53 ₤ will help balance the State Budget and achieve a State Revenue of 0.03 ₤.

Average National Price for 1 Loaf of Bread at Grocery Stores					
<i>Quality</i> (Command)			<i>Frequency</i> (Obedience)		
<i>Current Price</i>	<i>Current Minimum</i>	<i>Expense/Revenue</i>	<i>Proposed Price</i>	<i>Current Minimum</i>	<i>Expense/Revenue</i>
0.43 ₤	0.50 ₤	-0.07 ₤	0.53 ₤	0.50 ₤	+0.03 ₤

Unlike the previous example, the ANP is not relying on an Average derived from the Mean of ORPs. The Price of 1 loaf of bread is the same because the Council State has made it a priority to ensure that the Totality, in every region in the country, will be able to purchase bread at an affordable Price. For unlike Liberal Capitalist regimes, the average Price of purchasing food in our Socialist nation is cheap. But why is that? Why is the Price for a single loaf of bread so cheap, when the Price for the same loaf of bread in the US is “\$2.49 USD?”

Below is a table determining the decision-making processes of the Council State (for ANP) and the State Commissariats (for ORPs):

<i>Transaction</i>	<i>Sustainability Factor</i>	<i>Effects on Price</i>	<i>Effects on Attrition/Inaction</i>
Quality > Frequency	Unsustainable	Falling	Attrition Rate Falls
Quality ≥ Frequency	Sustainable	Falling	 Inaction Rate Rises
Quality = Frequency	Sustainable	Breaking Even	Value = Price
Quality ≤ Frequency	Sustainable	Rising	Attrition Rate Rises
Quality < Frequency	Unsustainable	Rising	 Inaction Rate Falls

If the Quality of the bread is greater than the Frequency for the bread, the Price will decrease. This means that the Quality has improved far enough to surpass its Frequency. The Attrition Rate falls, but the Inaction Rate will rise in response. If the Quality is less than the Frequency, the Prices are increasing. This means that the Quality of goods and services are being sacrificed by a surpassing Frequency for those goods and services. The Inaction Rate falls, but the Attrition Rate will rise in response. But if the Quality is equal to the Frequency, the Prices will hold steady and remain unchanged. Neither the Quality of goods and services nor the Frequency for those goods and services surpass the other. The Attrition/Inaction Rate is left unchanged.

The methodology works the same in the event of a *Transvaluation of all Arbeit*. The State Commissariats act on the decisions of the VCS Economy, resetting the Prices vis-à-vis the ANP as opposed to the ORPs. The State Commissariats announce those decisions to the Totality on State Media publications and broadcasters. Conversely, the VCS Economy acts on the decisions of the State Commissariats resetting the Prices vis-à-vis the ORPs as opposed to the ANP.

How State Commissariats Set the Paygrade Scale

One of the benefits of not having Income Taxation within the Socialist nation is the ability of the State Commissariats to better coordinate how much Geld goes into each Paygrade.

Paygrades are issued weekly on a per-household basis according to Years of Service and Number of Dependents. Not everyone is going to receive the exact same Paygrade. Some will receive a higher Paygrade than others by being committed to a Vocation for most of their adult life. Others may have a Paygrade that includes two children, an old grandfather, and a physically disabled brother-in-law. There are plenty of ways this can play out, but the State Commissariats will conduct themselves according to the Income Brackets.

The amount of Geld that goes into the household's Paygrade each week is affected by the Rank of its recipient. Everyone receives their first Social Rank during their teenage years as part of the Socialist Student Economy (SSE). This is the Council State's way of providing a rite of passage for all teenagers preparing to begin their first moments of young adulthood. Whatever Social Rank they had when they graduated from secondary school will be carried over when they continue their education at the university, voluntarily pursue their Vocation, and receive a draft card for work-conscription or military conscription if they have not yet decided on a Vocation.

The Official Rate for Years of Service is "50 GDM per 1 Year for a Vocation." The longer one stays with a Vocation, the more Geld they will receive from the State. The highest that the State will give to anyone vis-à-vis the State Commissariats is "1,500 GDM" by being committed to a Vocation for thirty (30) years. The Official Rate for Number of Dependents is "350 GDM per 1 Dependent." The highest that the State will give to anyone vis-à-vis the State Commissariats is "3,500 GDM" for caring up to ten (10) Dependents for a multigenerational household.

When the State Commissariats, should current economic conditions were to change, decide that the Paygrades are to be adjusted, they can alter the amount of Geld allocated to Paygrades from the State Budget. The State Commissars must notify the Council State of the changes, allowing the Council State to inform the Totality of the changes ahead of time, ensuring that the Totality will be able to make the necessary lifestyle adjustments. Below is the table for the official Income Rates set by the State Commissariats of Wages and Prices. Here, the placements of the Command side and Obedience side are reversed. The Command side is normally on the right, the Obedience side on the left. More importantly notice the manner in which the table was organized.

Official Income Rates of all Vocations based on Social Rank, in GDM						
<i>Wage Scale</i> (Command)			<i>Paygrade Scale</i> (Obedience)			
<i>Proposed Bracket</i>	<i>Proposed Payments</i>	<i>Income Difference</i>	<i>Nr.</i>	<i>Income Bracket</i>	<i>Years of Service (1-3 Years)</i>	<i>Number of Dependents</i>
			I	1,000-2,000	50-150	350
			II	2,000-4,000	150-300	750
			III	4,000-6,000	300-450	1,050
			IV	6,000-8,000	450-600	1,400
			V	8,000-10,000	600-750	1,750
			VI	10,000-12,000	750-900	2,100
			VII	12,000+	900-1,050	2,450
			VIII		1,050-1,200	2,800
			IX		1,200-1,350	3,150
			X		1,350-1,500	3,500

Section Nine: The federalist Worldview



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Goals of the Federalist Worldview

The purpose of an Americanized Work-Standard is essentially the same goals of the Federalist Worldview. The Federalist Worldview recognizes that the Federalist Party's legacy reflects the shifting constellation of Federalists and Anti-Federalists who rallied around Hamiltonianism. Thus, aside from Hamilton, we can look to other old Federalists like John Jay, John Adams, John Marshall, Rufus King, Christopher Gore, and Timothy Pickering for inspiration. Others such as Benjamin Rush, Patrick Henry, Mathew Carey, Tench Coxe, Daniel Webster were also contributors to the Federalist Worldview at certain points in US History.

The values, ideas, beliefs, and concepts of the old Federalist Party must be reinvigorated by a new Federalist Party advocating for the Work-Standard. The Party shall give them their proper meaning, recontextualizing to suit the conditions of contemporary America. It has been two centuries since the old Federalist Party's dissolution and there are certain values, ideas, beliefs, and concepts that resonate strongly with the Federalist Worldview. These resonances are not restricted to either the "American Left" or the "American Right," implying that the Federalist Worldview is embodied by specific Ideologies and not just any one particular Ideology.

What form would the Federalist Party assume in contemporary America, given that the Federalist Worldview is incapable of being embodied by the Democrats and Republicans within the Democratic-Republican Party? That is the overriding question of this Section. We will begin by rediscovering what the rest of the Federalist Party actually professed besides establishing a National Bank and implementing Protectionist trade policies.

Role of the Federal Government

The Federalist Party had originally intended the centralization of the Federal government to serve the means to well-specified ends. Neither Hamilton nor the Party advocated it as an end in itself. To centralize it is to engage in the necessary and proper struggle for the happiness of the American people, the American Union, as a Totality. The fundamental roles of the Federal government are to define the true meanings of Americanness, to realize the Perpetual Union, to promote the intellectual and moral uplifting of the American people, and to cultivate the economic and financial flourishing of the Union.

An active, energetic Presidency becomes justifiable when the President of the United States governs as the first servant of the American people. The President serves the American Union as the Totality, cooperates with Congress to establish the Federal Legal Code, and is held accountable to the Constitution by the Supreme Court and the States. Carrying out the Destiny of the Union is a "*Natural Aristocracy*," comprised of the most fervent and committed Americans in the Federal and State Civil Services.

The Natural Aristocracy prior to the Work-Standard meant the Federal and State Bureaucracies. Under the Work-Standard, the Natural Aristocracy concept will become democratized into a "*Aristocracy of Work*." This *Work-Aristocracy* is led by a worker-soldier-scholar personality that any American is capable of striving toward by means of the Work-Standard. It is not a technocracy of experts but governance of those who have proven themselves worthy of embodying the definition of Americanness.

Americanness cannot be found by consulting and interpreting the Constitution, for the Federalist Party knew that it lacks the required foundation to promote a genuine National Culture. It is the imperative of the Federal government, under the control of the American Union, to create a National Culture befitting of the American National Identity and National Essence. At the heart

of the Americanness emanating from the Work-Aristocracy is a Federalist Worldview that is both Pluralist and Nationalist.

“Open Nationalism”

The “*Open Nationalism*” of the Federalist Worldview is what separates it from Civic Nationalism and Ethnonationalism, both of which emanate from Jeffersonianism and the Democratic-Republican Party. Americanness cannot be restricted to mere participation in elections and transactional sales. It has to find its proper meanings through interpersonal interactions across different people’s communities and religious congregations.

Americanness cannot be defined by simply claiming American citizenship. Either their soul resonates with the American Essence or it does not. Either they have sworn a sacred oath of allegiance to the Union or they refused to swear by it.

It is because of the belief that the American people and the rest of humanity have souls that concept of Race cannot be defined through biological and genetic conditions. Race is a social construct, a centuries-long process of psychological and psychic conditioning. No Race should ever be considered to be inferior or superior to another Race, just as how one authentically genuine version of Pure Socialism (be it Scientific or Artistic) should be considered as superior or inferior to another Pure Socialism. Every nation, including America, has its own Socialism. It is for these reasons that the Federalist Worldview is openly contemptuous toward the Racial Nationalists and any American Socialist adhering to the Jeffersonian Worldview.

The Federalist Worldview’s Open Nationalism actively encourages the participation of American women and children, Foreigners and Native Americans within everyday political, economic and social life. True freedom is inseparable from the Union, including its most vulnerable and least fortunate. The Federal government can and should collaborate with the States and the Union to ensure that all Americans are given Meaningful Work and entitled to the fair treatment that they rightfully deserve. Only then can the American people grow stronger and become more united by their shared Destiny as a Perpetual Union. The Perpetual Union is timeless and therefore unchangeable for as long as the American people continues to exist.

Another important, yet peculiar distinction of the Federalist Worldview’s Open Nationalism is its attitudes toward American Independence. American Independence is still being recognized by the Federal government and the American people as having occurred on “July 4, 1776.” This Open Nationalism, by contrast, argues that it actually occurred two days earlier on “*July 2, 1776*.” While not being a significant peculiarity on its own, but when combined with other characteristics that distinguish it from the Jeffersonians, it becomes an impactful difference.

On Technology and Religion

Technology should be developed in accordance with the Constitution and imbued with a specific set of values in mind. Great vigilance should always be upheld when evaluating the necessity and efficacy of emerging technologies. In addition to economic and financial flourishing, Technology should also assist the Federal and State governments in providing the American people a shared sense of national solidarity and intellectual definition. Any Meaningful Work that comes from Technology must contribute to the ennoblement of the American people, bestowing them with a life-affirming purpose, commitment to national service, and both moral and intellectual development. Like the Work-Aristocracy that shall personify the Work-Standard, the Technology employed by this Work-Aristocracy shall hold in contempt “‘luxury’” and “‘opulence’” for it is “‘the effeminate debaser of the soul, the corrupt impoverisher of the mind’ and ‘the vicious parent of

innumerable evils.” Technology shall be designed with timeless values of “frugality, virtue and simplicity” in their overall construction and implementation.

The purpose of Technology is to assist the American people in the conduct of Meaningful Work, exercising self-discipline and loyalty to an enjoyable Vocation. In a world where Life revolves around Work itself, Technology must allow the Union to eschew Kapital and Schuld in favor of Arbeit and Geld. Every new Technology developed will facilitate newer opportunities for additional sources of Arbeit and Geld. Technology should enhance the overall capabilities of an existing Vocation rather than diminish them. In circumstances where it is unavoidable that Technology will destroy the Vocations, Congress must be allowed to exercise its constitutional power to guide the development of Technology at the behest of the Work-Aristocracy through the Council Democratic process.

Whether in the political life, the economic life, or the social life, Americaness is embodied by the necessity of a “sound moral character” befitting of an equally “sound political character.” This cannot be achieved by nationalizing irreligiousness vis-à-vis Secularism or religiousness vis-à-vis a particular religion. It will also not be fulfilled by a Cult of Personality from the Party. True to its Open Nationalism, the Party welcomes all religions of the Union whenever possible, encouraging the political-economic and socio-cultural participation of religious congregations.

America as Perpetual Union

The United States Constitution should be understood as the supreme law of the Union, surpassing all laws passed by Federal, State and Municipal governments. The document outlines what is to be expected of the American people as members of this Union of States. The Constitution was intended by the Federalists to address the flaws of the Articles of Confederation and the America's political-economic arrangements after the Revolutionary War. Prior to the Constitution, America lacked the necessary capabilities to govern what were in practice thirteen States acting like independent nations. It is highly ironic, given the full title of that document: the "*Articles of Confederation and Perpetual Union*."

On Perpetual Union

The transitory period between the Articles of Confederation and the US Constitution deserves ample scrutiny for any American, especially adhering to any Ideology that is not Neoliberalism. The "***Perpetual Union***" refers to the idea that America was always intended to be a Union of States, a "United States." Every State that considers itself a member of the Union will always be a member of the Union, regardless of who happens to be in power. While the idea can be traced back to the determination of the original Thirteen Colonies to band together in 1774 under the Articles of Association, it was the Articles of Confederation that gave it a legal basis.

From a metaphysical level, the Perpetual Union harkens back to the origins of America. As established originally in the Second Edition of *The Work-Standard* and reaffirmed here, America represents an interesting synthesis of British and German (or more specifically, English and Prussian) ideas, values, beliefs, and concepts that inform the American National Consciousness.

The American National Consciousness is molded by the psychological and psychic existences of an "American National Essence," an "American National Identity," and an "American National Culture." The National Essence is what binds contemporary Americans to the Perpetual Union, its existence predating them and continuing for as long as they themselves exist as part of a Totality. It provides them with a shared sense of National Identity that is informed by their National Culture. The National Identity and the National Culture are what constitute the Americanness of the Perpetual Union, setting apart from Great Britain and the German Reich. With regard to the British and the Germans, the American concept of the Perpetual Union finds its parallels in the English-speaking world and German-speaking world. In the English-speaking world, it is the idea of a Britain superseding England, Wales, Scotland and Ireland. In the German-speaking world, it is the idea of a Reich superseding Prussia and Austria.

Although the Articles of Confederation legally recognized the existence of the Perpetual Union, the Federalists never bothered to include it in the Constitution. It is an important omission in light of the American Civil War and the so-called "Culture Wars." The absence implies that neither the Constitution nor the Articles of Confederation should be the definitive source of any American National Culture. It can be the sources of National Identity and National Essence, however, but not the actual source of a National Culture. Thus, any American National Culture has to be the creation of the American people and the Federal government.

The omission also speaks to the sort of Worldviews that contributed to America becoming its own nation, its own Perpetual Union independent of the British and German ones. It suggests that, if America was not founded by the Liberal Worldview, it had to have also been founded by coinciding Nationalist Worldview. That the Americans who opposed the British Crowns were either "Patriots" or "Whigs," Nationalists or Liberals but never both at the same time. And while

some Americans were influenced by the Liberal Worldview emanating from England, others were motivated by their belief that America is its own nation with its own Destiny.

Overview of the Constitution

The Constitution can be split into three segments, each designed to support each other's aims. The first is the Preamble, the second is the seven Articles, and the third is the Amendments. The Preamble proclaims the Constitution's intended purposes of the Federal government for wielding the Intents of Command and Obedience. Seven articles establish the basic functions of the Federal government as well as its Constitutional Intents and Obligations.

In Article I, the legislative powers of the Federal government are maintained by the Congress. The formation of Congress can be deduced based on whether "America" the Constitution presides over is either Hamiltonian America or Jeffersonian America. The former envisages a "Congress of Councils," the latter a "Congress of Parliaments." In Article II, the executive powers of the Federal government are wielded by the Presidency. The President, the Cabinet and the "Natural Aristocracy" are situated in this branch. The Natural Aristocracy is the Federalists' description of the Federal Bureaucracy, which is to say that the only most devoted and committed Americans should be the ones in charge of the Federal government's day-to-day affairs.

In Article III, the judicial powers of the Federal government are held by the Judiciary. It consists of the Federal courts above the State and Municipal courts, capped by the Supreme Court. As the highest court in the Union, the Supreme Court also has the power to decide how the Constitution is supposed to be interpreted and why through its own decisions in a given case.

In Article IV, the idea of American Federalism is introduced within the social relations of the Federal government and the State and Municipal governments. There are powers which belong to the States and the Municipal governments, just as there are also powers which belong to the Federal government such as the power to redraw the borders or admission of new States. Any serious applications of the Work-Standard will be influenced by its Constitutional Intents and Obligations. Every State in this Union contributes to it in their own way and receives something from the Union in return.

In Article V, the process of amending the Constitution is discussed. It requires either a unanimous act of Congress, a two-thirds majority within the House and Senate, or a National Convention demanded by a two-thirds majority of the State legislatures. To ensure the passing of an Amendment, the Federalists provided two methods. The first is a three-fourths majority of those same State legislatures are required to ratify the Amendment, thereby signaling to Congress their Constitutional Obligation to enforce it. The second, a preferable Council Democratic method, involves obtaining a three-fourths majority from State Delegates acting on behalf of their States. The latter method has only been used once to pass Amendment XXI, repealing Amendment XVIII and ending Prohibition.

In Article VI, the National Sovereignty of the Union is held by the Federal government. As a Constitutional Intent, it stipulates that all State laws and constitutions are subordinate to both Federal law and this Constitution. As a Constitution Obligation, the constitutionality of all State laws and constitutions is determined based on their compatibility with Federal law and this Constitution. Any conflicting insistencies are to be recognized by the State judiciaries and corrected by the State legislatures.

In Article VII, the ratification of the Constitution was to be implemented through ratifying conventions in every State. This enabled the States to adopt the Constitution, recognizing it as the supreme law of the Union and the Federal government's wielding the Intents of Command and

Obedience as well as National Sovereignty. It was meant to ensure that, with the States' approval, the Federalists were able to form the Union and replace the Constitution's predecessor, the Articles of Confederation.

Lastly, the Amendments represent the various decisions made over the centuries to revise the Constitution. A total of twenty seven Amendments have been passed and tens of thousands of attempts were made to pass additional ones. Only one Amendment has been repealed.

The first ten Amendments were added as part of the demands of the Anti-Federalists, becoming the "*Bill of Rights*." The Bill of Rights described the various Legal Rights that the American people should have as a Totality and the Constitutional Obligations that the Federal government is supposed to have with regard to the Union and the States. The rest of the Amendments can be categorized based on their intended purposes and provisions. Amendments XI, XVI, XVIII, and XXI are Constitutional Intents that elaborated on the authorities of the Federal government. Amendments XIII, XIV, XV, XIX, XXIII, XXIV, and XXVI are Legal Rights of the American people that the Federal government must enforce as Constitutional Obligations. Amendments XII, XVII, XX, XXII, XXV, and XXVII are Constitutional Obligations that the Federal government must uphold as part of its official functions on a procedural basis.

Relevance of the Amendments

Back in the Second Edition, the Reader may recall that the "*Greater America Amendment*," an attempt at drafting a proposed constitutional law to introduce the Work-Standard, also repealed various Amendments in the process. The rationale at the time of its writing was that there should be a proper delineation between Constitutional Intents and Constitutional Obligations and Legal Duties and Legal Rights. The general trend is that Federal government should be given more or less powers to uphold a single Constitutional Intent and Constitutional Obligation, which is to recognize and enforce the existences of Legal Rights.

The idea of the Federal government having a Constitutional Intent to bestow something to the American people that is not a Legal Right, like a Constitutional Obligation or a Legal Duty, is unthinkable. Congress may pass Federal laws, the President may compel Congress and the States to work together, and the Supreme Court could reconfigure the parameters of constitutionality, but the idea of reciprocity is hardly conceived as necessary and proper.

In essence, for every Constitutional Obligation that the Federal government is expected to uphold as part of a Constitutional Intent, there has to be another Constitutional Obligation that the States are required to fulfill. For every Legal Right that the Federal government has a Constitutional Intent to enforce as a Constitutional Obligation, there is a Legal Duty that the Union must uphold. It is obvious that Articles IV, V, VI, and VII established the importance of the Federal, State and Municipal governments having shared Constitutional Intents and Obligations. The Supreme Court has made that clear in all of its rulings, but that is not the issue at hand here.

Basically, the Amendments themselves portray the social relations between the American people and the Federal government as resembling that of complete strangers, where one demands power and authority over the other without expecting to offer something in return. There is a sort of alienation that prevents the American people from having Constitutional Obligations to the Union or exercising Legal Rights tempered by Legal Duties. It makes the Federal government appear distant, divorced from the realities of everyday Americans, and too centralized at times. Senseless antagonisms between different States become inevitable because there is no higher force that could resolve their differences. It prevents everyday Americans from realizing that, at the end of the day, they exist as part of this Perpetual Union and why they are expected to contribute to its longstanding legacy.

Historical Development of American Federalism

It has become commonplace in the early 21st century to insist that America was once great at an unspecified period. Some on the American Right claimed that the country lost its way in the Social Liberalization of the 1960s, whereas others on the American Left claimed that it was actually the Economic Liberalization of the 1980s. Meanwhile, this Treatise consistently maintained that it was the 1970s, the decade between the 1960s and 1980s. Barring the obvious fact that the Democratic-Republican Party was still in power, the Empire of Liberty was nearing the height of its power around the 1970s when the Death of Bretton Woods happened. The Counterculture had failed to become something more coherent and well-organized, the Culture Wars were in full swing, and the Vietnam War and Watergate Incident undermined institutional trust in the Federal government. Automation, Globalization, Deindustrialization, and other notable problems emerged in the 1970s, becoming prevalent over the next few decades.

Aside from the Death of Bretton Woods and everything else to be covered in future Treatises, the 1970s was a pivotal decade in the history of American Federalism. The significance of American Federalism in the 1970s is related to the preceding conclusions about the Constitution in “America as Perpetual Union.” To understand why is to realize how America developed over the centuries under the Democratic-Republican Party.

To begin, the Articles of Confederation established the idea that America is a Perpetual Union of States, a concept that the Federalists sought to realize despite never explicitly mentioning it anywhere in the Constitution. Recall in “Goals of the Federalist Worldview” that the Federalist Party advocated American Federalism to promote a centralized Federal government as a means to an end. Nowhere was this made obvious than in the Judicial Branch, the Supreme Court.

While the rest of the Federalist Party were trying to cultivate an American National Culture, the Supreme Court under John Marshall were outlining the parameters of American Federalism. A well-known example of this trend occurred during *Marbury v. Madison*, a landmark case that expanded Federal power and refrained from explicitly favoring the Federalists backing William Marbury and the Democratic-Republicans supporting James Madison. It was in this case that the Supreme Court maintained that the Constitution was and will always be the highest law of the Union. Any laws passed by Congress and the States will be judged according to their constitutionality, and any unconstitutional laws will be struck down by the Supreme Court.

Dual Federalism

Between the early years of the Union and the years after the Civil War, the Federalist Era and the Reconstruction Eras respectively, American Federalism was defined as a “***Dual Federalism***.” It is the idea that National Sovereignty is split between the Federal and State governments. There are vested powers in the Federal government and there are powers vested in the State governments which are recognized under the Constitution.

The role of the Supreme Court during this phase was to further elaborate on which powers belong to the Federal government and which powers belong to the States. Political-economic governance of the Union is maintained by each State that is under the purview of the Federal government. The

Federal government cannot intervene in the affairs of any State unless it was explicitly stated in the Constitution and upheld by the Supreme Court.

Under the Work-Standard, the arrangements of Dual Federalism can be identified. It can be discerned from the categorization of economic organizations within the conceptual template of a VCS Economy as well as the Work-World.

In a basic VCS Economy, there are “State Enterprises” (SAEs and SOEs), “Social Enterprises” (NSEs, POEs, and PDEs), and “Foreign Enterprises.” Dual Federalism adds a fourth category of economic organization, a “Federal Enterprises,” whose governance falls under the authority of the Federal government. The presence of Federal Enterprises implies the existence of specific economic activities which cannot be subject to State and Municipal governments and therefore must be overseen by the Federal government.

In the Work-World, there are sources of Arbeit and Geld which are being contributed to the Life-Energy Reserve by the Federal and State governments. A State government’s contributions of Arbeit alone are separate from other States and those of the Federal government, only interacting when those same contributions affect the Federal government or another State. Often, it is an economic activity that crosses State jurisdictions.

These two characteristics form the constitutional basis of the “Commerce Clause,” which stipulates that American economic governance is split between Federal and State governments. Economic activities that affect more than one State will eventually be subject to Federal law. When that happens, any given economic activity ceases as “*State Commerce*” and becomes “*Interstate Commerce*,” serving as a reflection of the fact that American economic governance is split between the Federal government and the States.

Dual Federalism continued in spite of the issue of Slavery and the subsequent Civil War. It also survived the First World War, only being replaced by another form of Federalism when America experienced the Great Depression. The Great Repression and the New Deal programs under the FDR Presidency facilitated its replacement by “Cooperative Federalism.”

Cooperative Federalism

It is notable that the Commerce Clause continued to be relevant when Cooperative Federalism became the norm between the 1930s and the 1970s. The Supreme Court during those decades relied on looser interpretations of Amendment X. The argument was that Amendment X did not grant any additional powers to the States, setting the precedent in which the States must view their relationship between themselves and the Federal government as a partnership.

To maintain the balance of its partnership with the States, the Federal government must be allowed to intervene in the affairs of the States. Important policies related to the New Deal and Civil Rights were justified on the basis that the Federal government has the constitutional authority to act outside of its own jurisdiction whenever the States themselves have failed to act. For various New Deal and Civil Rights policies to succeed, the Federal government needed to gain the cooperation of the State and Municipal government, especially those that may not agree with whatever policies were being passed in Congress and signed into law by the Presidency.

The power of the Federal government to intervene outside its jurisdiction and with the approval of the State governments is the defining characteristic of Cooperative Federalism. The Supreme Court had to expand the parameters of constitutionality in order to further its aims. At the same time, the Supreme Court decided where and when it became necessary for the Federal government to intervene in State jurisdictions. It also decided where and when economic governance should be left to the States and not the prerogative of the Federal government.

Under the Work-Standard, Cooperative Federalism resembles a top-down arrangement where the Federal government is allowed to take over State Enterprises or Social Enterprises, converting them into Federal Enterprises when they fail to perform as expected. The Federal government may intervene in the economic governance of the State governments, yet the State governments cannot intervene in the economic governance of the Federal government.

As one could surmise from that simple implication, the State governments lack the autonomy to act on their own initiative, even if doing so will help the Federal government's policies or further the interests of the American Union as a Totality. These limitations would form the basis behind the next changeover of American Federalism.

New Federalism

The current arrangement of American Federalism is referred to as “New Federalism” or “Fiscal Federalism.” Economic governance was shifted away from the top-down approach to a bottom-up approach where State governments are encouraged to pursue their own policies. The ability to pursue their own policies was allowed as long it remained constitutional and could be sustained by the finances of the State governments. From the perspective of the Federal government, the Intents of Command and Obedience have been brought into question. The Intents of Command and Obedience were implied to be a given in Dual Federalism and Cooperative Federalism.

In Dual Federalism, the Intents of Command and Obedience were wielded by the Federal government under the Constitution. As long as the Constitution required the Federal government to wield the Intents and Command and Obedience and respected the integrity of State jurisdictions, any given Federal policy could be deemed constitutional.

In Cooperative Federalism, when the Federal government wields the Intents of Command and Obedience, it has done so with the approval of the Supreme Court and the cooperation of State governments. Only the Federal government could wield the Intents of Command and Obedience. None of the States could do the same to the Federal government.

What New Federalism did differently from the previous two was a redistribution of power and authority to the State governments by the Federal government. States are able to acquire funding from Congress as long as they adhere to its spending mandates. It is possible for one State to have radically different forms of economic governance that deviate from other States. It is likewise conceivable for all States to not abide by any federal policy that is binding on the entire Union unless the Supreme Court justified the federal policy as necessary and proper.

Consider, for instance, the legal age at which Americans are allowed to consume alcohol. States used to maintain their own drinking ages following the passing of Amendment XXI. A State could

set the drinking age to be 18, while another State had its drinking age at 21. Although one could assume that Congress should pass a federal policy to establish an official drinking age at either 18 or 21, such a policy proposal cannot be achieved under New Federalism because that policy itself can be considered unconstitutional because it is not necessary and proper. In Neoliberal terms, the States have to be “incentivized” before they could consider setting the drinking age to be 21.

That was the whole rationale behind the National Minimum Drinking Age Act of 1984, which established the official drinking age. A State is technically ‘free’ to have its drinking age to be any age except 21, but doing so also means that it loses any chances of receiving any funding from Congress. Federal funding of interstate highways could be withheld from any State that fails to enforce the drinking age at 21. Every State adopted that drinking age limit by 21 because to insist on the drinking age being anywhere between 18 and 20 meant losing out on additional sources of funding.

The fundamental problem of New Federalism is that it tries to replace the Intents of Command and Obedience with the Incentives of Supply and Demand. On paper, it claims to allow the States to share in the economic governance of the Union, freeing the Federal government to focus on other policy issues. In practice, it resembles a perversion of Cooperative Federalism where the Federal government cannot intervene in State jurisdictions without justifying it as necessary and proper first, and the State governments are given the false illusion of autonomy.

Rather than a relationship that resembles a partnership or a bifurcated conception of National Sovereignty, New Federalism instead posits a relationship where Federal and State governments are two parties in a transactional sale. But instead of a transactional sale of goods and services, the Federal government pitches to the State governments why they must enforce its policies, and the State governments are not rewarded for acting on their own initiative. Under the Work-Standard, we can envisage a problematic scenario:

Suppose for a moment that the Federal government had successfully implemented State Capitalism in the American Union. The national economy is no longer a Market Economy; it is now somewhere between a Mixed Economy and a Planned Economy. However, not every State wanted the Union to adopt State Capitalism. Even though more than half of the States maintain State Capitalist economies within their jurisdictions, a dozen adopted Corporatist economies, several decided on Syndicalist economies, and the rest embarked on Socialist economies.

- Should the States be allowed to choose between Corporatism, Syndicalism, State Capitalism and Socialism or should all of the States agree to either of those four?
- Should they maintain separate economic governance and economic organization?
- Should they be allowed to implement their own versions of economic planning?
- Should they be allowed to transfer their Enterprises to the Federal government, especially when they are unproductive or have not demonstrated themselves worthy of ascending to the highest Social Rank?
- Should they take control of each other’s Enterprises or any Federal Enterprises?
- Who wields the Intents of Command and Obedience, the States or Federal government?

In New Federalism one comes away with the impression that its reputation as a “devolution revolution” is not too far from the truth. Instead of giving allowing the Intents of Command and Obedience to be reciprocal enough to be shared between the Federal and State governments, what has happened in reality is that neither the Federal government nor the State governments got what they rightfully deserved. If the Work-Standard is to be properly implemented in the Union, a more appropriate conception of American Federalism is needed to reevaluate the relationship between the Federal and State governments.

Interpreting the US Constitution

The US Constitution is notable for having a wide variety of ways to interpret its text. The multiplicity of interpretations demonstrates that what is literally written in the text is not as important as how somebody interprets it and what they intend to do with those interpretations. Whatever version of American Federalism that the Work-Standard favors will in turn require its own interpretation of the Constitution. The Aristocracy of Work expected lead the new-old Federalist Party will need that unique interpretation and its corresponding conception of American Federalism when America decides to adopt the Work-Standard. Thus, this Entry will be exploring the various ways of interpreting the US Constitution.

Interpretation by Historical Context: Textualism

“Textualism” involves interpreting the Constitution by the basic definitions of its text as a legal document. It seeks to know how early Americans during the Federalist Era understood the Constitution, the historical contexts in which the Constitution was ratified, and how those historical contexts are relevant to contemporary America. A Textualist interpretation presupposes that because there is an objective meaning behind the Constitution’s text, there is no need to understand the Intent behind why it was ratified and amended in the specific manner that it was.

Interpretation by Original Definition: Originalism

Unlike Textualism, which evaluates the Constitution based on the historical context of its legal language, “Originalism” seeks to interpret the Constitution according to how the American people understood it as a legal document at the time of its ratification. It argues that American people’s understandings of the Constitution evolved throughout US History in tandem with the development of American Federalism. There is an “‘objectively identifiable’” meaning behind the legal language that remains unchangeable. The ‘original definition’ can then be transplanted into contemporary times because the meanings have remained unchanged over the centuries.

Interpretation by Practicality: Pragmatism

“Pragmatism” is an outgrowth of Positivist Legalism, the idea that there is a scientifically proven way of interpreting the Constitution. True to the Scientific Method, it entails weighing the practical benefits and consequences of one interpretation of the Constitution against other opposing interpretations of the Constitution. Rather than adopt one interpretation or another based on any notable consideration, Pragmatism relies on a combination of differing interpretations to create a new and distinct interpretation on the basis that there are only benefits and costs to applying the Constitution.

Interpretation by Moralistic Appeal: Moral Reasoning

Certain interpretations are based on “Moral Reasoning,” according to a moral or value system of the interpreter. Whatever morals or values one adheres to as a Self can influence how they understand the Constitution and how it ultimately applies to them. Most interpretations in this category are usually ethical or theological rather than philosophical or ideological.

Interpretation by Intergovernmental Relations: Structuralism

“Structuralism” outlines its interpretation of the Constitution by inferring from the manner in which the Constitution was designed and the role it plays within American Federalism. It is a formalist approach that seeks to adhere to the Constitution in very literal terms. In essence, all of the powers vested in the Federal government have already been outlined. Every decision that the Federal government makes must abide by whatever is written in the Constitution.

Interpretation by Apolitical Legalism: Judicial Precedence

Interpreting the Constitution by “Judicial Precedence” is to understand it based on the earlier rulings of the Supreme Court. With its constitutional authority and the precedence that it had established in *Marbury v. Madison*, all interpretations are derived from the apolitical decisions of the Supreme Court. Every decision that the Supreme Court makes within a given case is to be binding on all future interpretations unless the Justices have decided that another case has convinced them that an earlier precedent is no longer applicable to contemporary times. The abandonment of one constitutional precedent is to be replaced by the adoption of another constitutional precedent.

Interpretation by Governmental Procedure: Historical Practice

Another related interpretation, “Historical Practice,” pertains to the idea that the Constitution is defined by the decision-makings of Congress, the Presidency, and the Supreme Court. The three branches of the Federal government are centuries-old institutions whose existences are legitimized by the Constitution. The Constitution is a living document that continues to be written by the actions of the three branches, the American people deriving their interpretations from the historical and contemporary trajectory of Federal policymaking.

Interpretation by National Consciousness: National Ethos

The last and least well-known way of interpreting the Constitution is in accordance with the “National Ethos” of Americanness. The Constitution is constantly being shaped by the ongoing historical development of the Union. The “Founder’s Intent” and the American people’s understandings of the Constitution are one and the same insofar as the Constitution is a legal document that is meant to be by and for the American people as a Totality.

Limitations of the Constitutional Interpretations

For the Federalist Party’s Aristocracy of Work and American Federalism in particular, each of those eight interpretations have flaws which prevent them being compatible with the Work-Standard. Remember, the old Federalist Party never intended the Constitution to be the source of an American National Culture; that alone needed to be defined by the American people and the Federal government. Obviously, the *National Ethos* interpretation is out of the question in an America where Culture Wars have left the definition of Americanness open to dispute.

It is likewise true for *Historical Practice* and *Judicial Precedence*. While those two are suitable for the Democratic-Republican Party’s interest, the same cannot be said for the Federalist Party or any other political party for that matter. To suggest otherwise would be to imply that the worst excesses of the Democratic-Republican Party are to be legitimized by some dubious claims of tradition. Again, this is great for the Jeffersonians but not for everyone else.

Conversely, outside of the Supreme Court, the scientist and the theologian should not be the only ones to interpret the Constitution for the American people. The political philosopher and theorists should also contribute to the American people's interpretations because the Constitution is as much as political document as it is a legal one. Since the Federalist Worldview is both Pluralist and Nationalist, interpretations of the Constitution have to be timeless, universal and capable of gradual change.

It is for this reason that it is senseless to think that today's Americans are the same Americans of the late 18th century. So much has changed since the Constitution was ratified. The American people, like the Totality of any other nation, are not mindless, soulless consumers incapable of reforming themselves, of rethinking and reevaluating past experiences. They are always constantly changing in response to their past experiences and acclimating themselves to the circumstances of a prevailing historical epoch. The Constitution can and should change alongside the American people.

That is why the Constitution will always be open to reinterpretation for as long as the American people continue to exist. It is not a matter of whether the historical context or definition can be recovered nor is it a matter of whether a political tradition could be acquired from an unwritten constitution. No, this is a matter of whether the true spirit and lessons that gave rise to the Constitution can be preserved, improved upon, and passed down to the next generation. Rather than retread over whatever has been done before or to lament over what should have been done if not for the Democratic-Republican Party, the Federalist Worldview deserves a new-old legacy. The legacy itself will find its inspiration in the articulation of another conception of American Federalism worthy of overcoming Jeffersonian New Federalism and Cooperative Federalism.

Hamiltonianism in contemporary America (Pt. 1 of 2)

The following two-part Entry introduces to the Reader an overview of the Hamiltonian movement as it exists. As of the Third Edition of *The Work-Standard*, the movement is continuing to grow in influence and size that a new round of questions should be raised on what sort of future awaits the movement. Part I is a discussion about the movement as it exists and why it is important to work with those who are not true Jeffersonians inside the Democratic-Republican Party. Part II is reserved for introducing the various personalities and publications of the Hamiltonian movement, informing the Reader on its current extent.

The Enduing Significance of 2016

It is very common for Americans to judge other Americans based on their affiliations with either Faction of the Democratic-Republican Party. Americans aligned with the Democrats will never live next to Americans aligned with the Republicans and vice versa. Things have gotten to the point where entire groups are trying to relocate to States dominated by either the Democrats or the Republicans. Pro-Republican Americans in a “Blue State” would rather live in a “Red State” run by Republicans and pro-Democratic Americans in a “Red State” would rather live in a “Blue State” run by Democrats. This is unfortunately a consequence of the so-called “Culture Wars” where the definition of Americanness remains open to dispute. For better or for worse, in a country where other social relations are fraying, the Democratic-Republican Party is probably one of those last remaining avenues for Americans to find belonging and community.

American social relations have been deteriorating between the height of the Bretton Woods System and its subsequent demise. Prior to Bretton Woods, most Americans did not define their Selves solely by the Democratic-Republican Party. They were descendants of another Totality from a different nation who became Americans as members of a people’s community. They were members of a religious congregation, even if they did not always agree with its teachings. They joined labor unions, participated in the apolitical endeavors of their localities, associated themselves with organizations that united their neighbors and friends around common interests. They came from strong, tight-knit families who provided them with support when everything else failed. Such conditions have disappeared in American life when the Bretton Woods System rose and when the Empire of Liberty came into being.

The rise of American Suburbia had set a precedent in which old, longstanding communities languished as people flocked from the cities and the countryside to emerging suburbs. The gutting of the Manufacturing Sector coincided with the dissipation of the labor unions. Growing irreligiosity and the collapse of the family occurred alongside the withering of entire localities. The effects are on display across countless localities throughout contemporary America.

Thus, it comes as no surprise that the only thing left for Americans to rally around is the Democratic-Republican Party and its Factions. The Culture Wars are merely a series of increasingly futile attempts to regain that perceived lost sense of Americanness, as if the American people are somehow incapable of understanding themselves. With religious-like zeal, the American people have been trying to regain their lost sense of Americanness by turning to the Public and Private Sectors in the Culture Wars. The petty squabbling of the Democratic-Republican Factions gives them an illusory semblance of belonging and community that is virtually absent within their everyday lives.

There are limits to how far the American people are willing to support the Democratic-Republican Party. If either Faction fails to further their interests, they will just support the other

Faction until they too have failed. In a political system where a Party of two Factions is split into two lesser parties, it is senseless to assume that some third party or apolitical independent will change the dynamic without being taken over by the Jeffersonians. The American people knows this, accounting for why so many refuse to participate in the Jeffersonians' political affairs. It is also why the Jeffersonians only need to rely on a minority of committed voters to stay in power.

But is it tenable to insist that not everyone in the Democratic-Republican Party is a committed Jeffersonian? What if some are only inclined to support either the Democrats or the Republicans because there are no third parties in contemporary America capable of challenging? What if others are willing to abandon the Democratic-Republican Party once it becomes apparent to them that the Democratic-Republican Party has become so impotent and incompetent that they are incapable of running the Municipal governments, State governments or the Federal government?

These are the conditions in which Hamiltonianism is forced to contend with in a political climate where the Federalist Party has not been a major force since the early 19th century. An emerging movement committed to Hamiltonianism has been growing in the wake of the Great Recession and the events before, during and after the 2016 US Presidential Election. Its infancy coincided with the renewed interest in reevaluating the legacies of Hamilton and Jefferson, the discussion being made behind the backdrop of the presidential bids of Donald Trump and Bernie Sanders. The movement did not need to rely on a "Trump Presidency" or a "Sanders Presidency" because Hamiltonianism hardly emanated from either Presidency. What the movement wants more than anything is a Hamiltonian America to replace the Jeffersonian America that already exists.

Today a Movement, Tomorrow a Party?

What passes as a movement for Hamiltonianism is a loose band of Americans seeking to revisit the Federalist Legacy from a variety of differing viewpoints. The movement may not have enough grassroots activists to establish a formal presence outside the Digital Realm, but it certainly has a sizeable coterie of professional intellectuals and publications. Uniting these perspectives is the profound belief that Jeffersonian America is dying and that Hamiltonian America must, in some form or another, regain its rightful position in political-economic discourse. There is no future to be gained from continuing to support the Jeffersonians in either of the two Factions and their Democratic-Republican Party.

The long-term strategy being pursued by the movement is to create a policymaking environment where Hamiltonianism is allowed to compete against Jeffersonianism within the Democratic-Republican Party. It represents a sort of Entryism that Liberal Capitalists like Milton Friedman and Friedrich von Hayek had done back in the Mont Pelerin Society to steer the direction of policymaking before, during and after the Death of Bretton Woods. Instead of engaging in grassroots activism and forming political parties, establish think tanks and research institutes to disseminate information that would gain the ears of sympathetic parliamentarians. Entire political parties would act on that information, pursuing policies conducive to the aims of the people who established the think tanks and research institutes.

Currently, there is evidence indicating that this strategy is achieving some results. The results in question are coming from the spearhead of this movement's endeavors, "**Industrial Policy**," which has been gaining traction in recent years. The current trajectory of US Industrial Policy pivots toward a slow resurgence of the Manufacturing Sector and new Protectionist measures. The goal is to reindustrialize the Union to pursue everything from the combating Climate Change to competing with the People's Republic of China.

There is only so much that the movement could achieve just by convincing the Democratic-Republican Party to change its stances on Industrial Policy on Hamiltonian grounds. The ongoing Reindustrialization is not going to result in more Americans becoming craftsmen and mechanics. The Death of Bretton Woods, which coincided with Deindustrialization in the 1970s, saw a transition from mass production to mass customization, from analog and mechanical machinery to automated and digital machinery. Gone are the days when manufacturers got their start by building products at a Workshop and expanding into a manufactory. Nowadays, manufacturers have to be able to integrate aspects of automated and digital technologies without questioning their necessity or their long-term consequences to America and the rest of the world.

This fact can be discerned from the continuing decline in labor union participation, a trend that has yet to be reversed anytime soon. There may have been Jeffersonian propaganda about a supposed “comeback” of labor unions, but less than 10% of the US population in 2023 is affiliated with some sort of labor union. A 0.2% drop even occurred in the previous year alone!

Another problem is that it tries to adopt the methodology of Hamiltonianism without realizing its other aspects. Hamilton and the Federalists did not just advocate for the Manufacturing Sector and Protectionism. There is far more to Hamiltonianism than just economic issues. The Federalists also sought to realize other goals, goals which are either unbeknownst to the rest of the contemporary movement or are being neglected in one form or another.

To complicate that particular problem further, the movement does not have any actual think tanks or research institutes that could write and speak on its behalf. There is no network of organizations where Hamiltonian ideas are being disseminated to such an extent that the Democratic-Republican Party is forced to partially concede to the old Federalist Party. As far as the American people are concerned, the movement is not influential enough to the point where entire segments of the population are Hamiltonians.

Worse, there is always the risk that the movement may become absorbed into the Democratic-Republican Party, especially since so much of the emphasis has been fixated on trying to change the direction of US Industrial Policy. With too much the sympathies coming from mostly Republicans within the Democratic-Republican Party, the movement could find itself becoming another tool of the Republicans just like the Tea Party or Trump movements before it. The same risk will also occur if the movement gets absorbed into the Democrats’ ranks like the Progressive or Democratic Socialist movements before it. Either way, the movement becomes another useful idiot in the Culture Wars, which at this point resembles a sort of divide-and-rule strategy.

The second half of “Hamiltonianism in Contemporary America” is currently being worked on as of this writing. The purpose of this Update post is to provide a preview of what I have been able to discover thus far. Yesterday, I had to gather as much information as I could on the rest of this movement to make sure that I did not miss anyone or anything. I am convinced that it is possible to determine the existences of a “Hamiltonian Right” and a “Hamiltonian Left” based on two publications that I have mentioned on *The Fourth Estate* in previous posts: the former is best embodied by *American Affairs*, the latter by *Compact*. Staunchly critical of Liberal Capitalism, Right-Hamiltonians favor American Corporatism, whereas Left-Hamiltonians support American Socialism. Even though there are some more willing to settle for some kind of American State Capitalism, the consensus appears to gravitate somewhere between Corporatism and Socialism.

Now, when I say “American State Capitalism,” I am referring to a Reformist type of American Capitalism that is driven not by Wall Street and Corporate America, but by the Federal government and the American people. It may not be Lenin’s NEP (New Economic Policy) or even

the Market Socialism of Richard Wolff, but at least it is a step in the right direction. Its official designation is called “*Common Good Capitalism*.”

Besides our Left-Hamiltonians and Right-Hamiltonians, I should mention that aspects of Hamiltonianism do resonate with people who are neither Hamiltonian nor Jeffersonian. Post-Liberal and National Conservative involvements within our corner of political-economic discourse are in many respects the Americanization of a uniquely British phenomenon.

Following the Great Recession, an ideological rift began to occur among certain Tory and Labour members, as “Red Toryism” and “Blue Labourism” rose to challenge the pervading Neoliberal consensus forged by “Thatcherism” and “Blairism.” Skeptical of both Economic Liberalism and Social Liberalism, Red Tories and Blue Labour sought to steer the direction of those two parties away from their Neoliberal consensus. Here in America, the Post-Liberals and National Conservatives are trying to pursue a similar project, except they lack enough supporters on the American Left to achieve comparable results. Consequently, this resulted in them latching onto Hamiltonianism in order to be relevant in this country.

As one could probably tell by my own descriptions, I was actually hard-pressed to find the “Hamiltonian Left.” Seems like *Compact* and this Blog are the only examples, and it is not like *The Fourth Estate* was a particularly popular publication to begin with. Trying to ascertain the reason behind the minuscule existence of the Hamiltonian Left in comparison to the Hamiltonian Right, I consulted two articles from last year to find my answer. After all, *Compact* appeared around the same time as those two articles.

The most obvious answer from the Blue Labour-Red Tory coterie in Britain is that America lacks a true “Left Post-Liberalism” to complement its “Right Post-Liberalism.” If the American Right’s Post-Liberalism has been a sort of National Conservatism and Catholic Integralism, then what exactly would the Left Post-Liberalism be? This has been the conclusion of the British political economist Adrian Pabst, who is one of the foremost proponents of that milieu in the UK. His argument is that the absence of one is due to the fact that the English-speaking world is waiting for the emergence of a “new social theory” that would redesign the gains of Post-Liberalism into something palatable to the any conceivable Political Left.

From Pabst’s perspective, any true Post-Liberal Left cannot and should not try to embark on a program of synthesizing the economic system of Dengist China with the political system of contemporary Poland and Hungary. If any genuine Left-Hamiltonians were to implement such a synthesis, we would end up becoming Liberal Reactionaries. The Socialist Market Economy, a low-tier Planned Economy was just that—a Chinese birdcage that should not be recreated elsewhere as a compromise. As for the inverse, promoting the Market/Mixed Economy with appeals to Social Conservatism does not distinguish the Post-Liberal Left in any meaningful way.

“While words like ‘solidarity,’ ‘relational,’ ‘place,’ ‘community,’ and ‘common good’ suggest common cause with the political theorists of the postliberal right mentioned above, Pabst also indicts some of the same politicians and movements these figures hold up as part of a nascent postliberal politics. Hungary and Poland, we are told by Pabst, are not really postliberal, because these states rely on ‘fiscal dumping’—a term used to denote the (supposedly) temporary boost to economies that lower their tax rates below neighboring nations to attract foreign investment. Such tactics, Pabst argues, demonstrate the subservience of Law and Justice in Poland or Fidesz in Hungary to the exigencies of global capitalism.”

Back in America, Julius Krein did write another article for *American Affairs* in the Fall 2022 issue, entitled “The Other Realignment.” In it, he mentioned that there are intellectual currents among American Progressives to simultaneously reject the excesses of Social Liberalism and Economic Liberalism, but their views are a tiny minority among the broader Progressive movement. Some, I feel, come across as being a little too Jeffersonian for my liking, as if they are trying too hard to appeal to the Democrats and failing at it. After all, it seems like these intellectual currents would prefer the Democrats rekindling its earlier New Deal and Great Society past, which they had abandoned after the 1984 Presidential Election.

The actual American Left, meanwhile, is stuck between whether to continue being dominated by Jeffersonian thought or whether to deviate from the Democrats and begin adopting Hamiltonianism. A serious and coherent program has yet to be envisaged by them, a program that would envisage them working together with the American Right. It remains to be seen if there will ever be a genuine realignment of priorities on the American Left, especially those who are uninvolved in the affairs of the Democrats.

Hamiltonianism in Contemporary America (Pt. 2 of 2)

As the early 2020s give way to the late 2020s, Hamiltonianism is already beginning to establish its own “Political Right” and “Political Left” elements. It is now possible to speak of a “*Right-Hamiltonianism*” and a “*Left-Hamiltonianism*” that have yet to coalesce into a new “Political Center.” Ideas from *Left-Hamiltonianism* inform *Right-Hamiltonianism* and vice versa, providing a coherent perspective worthy of challenging the hegemony of Jeffersonianism.

Hamiltonianism on the American Right: Right-Hamiltonianism

As its name suggests, Right-Hamiltonianism emerged from the American Right in response to the Great Recession, the War on Terror, and the contradictions of the Fusionist consensus behind American Conservatism. For those who do not know, “Fusionism” refers to the old Cold War Ideology that once characterized American Conservatism after 1945. It was a motley collection of Social Conservatives and Traditionalists whose fragile alliance with Anticommunists and Classical Liberals were driven out of an unfathomable fear of the Soviet Union.

Since Woodrow Wilson, the Jeffersonians have long sought to bring Russia, whether Czarist Russia, Soviet Russia or Post-Soviet Russia, under their ideological influence. The old geopolitical reasoning went that whoever controls Eastern Europe vis-à-vis Russia controls the Eurasian landmass. A great power like Russia would pose a serious complication to their long-term ambitions of imposing the Empire of Liberty on the Eurasian landmass. When the German Reich, Imperial Japan and Fascist Italy were defeated in 1945, the Jeffersonians did everything they could to establish economic and military strongholds in as many countries bordering the Soviet Union as they could.

To gain the support of the American Right, the Jeffersonians had to frame the Soviets as convenient scapegoats to distract Social Conservatives and Traditionalists. It meant convincing them that it was the Soviets, not the Democratic-Republican Party, who were the real threats to America. Thus, Fusionism was conceptualized to bring the American Right to embrace the flawed assumption that free markets can somehow further the interests of family, community and tradition. The Fusionist propaganda was only as effective for as long as the Soviet Union, CMEA (Council for Mutual Economic Assistance) and the Warsaw Pact continued to exist. Once they were gone, Fusionism could no longer sustain itself in the 21st century without finding new enemies, new diversions for the American Right to fixate on. The Jeffersonians found those new enemies in the forms of the so-called “Axis of Evil,” convincing the American Right that they had to support the mission of spreading Neoliberalism to all of humanity at any cost. The Afghanistan, Iraq, Libyan, and Syrian Wars are merely the fruits of this endeavor.

The Fusionist propaganda, thankfully, collapsed under the weight of its own contradictions. The futility of the Afghanistan, Iraq, Libyan and Syrian Wars, the continued destruction of entire families and communities, the growing irreligiosity of young Americans, the Great Recession and Deindustrialization all planted growing doubts on the American Right. After the Great Recession, it gradually became tenable to criticize and condemn that old Cold War consensus.

The rise of the Trump Presidency coincided with a fundamental rift within the American Right between those who still supported Jeffersonianism and those who yearn to find a new unifying Ideology and Worldview that would someday replace the Fusionist consensus. The Trump Presidency saw the Jeffersonians successfully maintain their hegemony on the American Right, preventing Conservatives and Traditionalists from realizing that they have always been part of Hamiltonianism and that they do have parallel goals with Hamiltonianism on the American Left.

Currently, the forefront of Right-Hamiltonianism is *American Affairs*, a quarterly policymaking journal founded by Julius Krein. The central arguments of that publication since its establishment have been to advocate for a stronger governmental role in the US economy on Hamiltonian grounds, from Reindustrialization to Protectionism. *American Affairs* was started to provide an intellectual backbone to Right-Hamiltonianism, attracting the support and contributions of other Right-Hamiltonians such as Michael Lind and Oren Cass. Gladden Pappin, an associate of Krein, wrote an insightful article in *American Affairs* in favor of American Corporatism and how it could become relevant to the US and Right-Hamiltonianism in particular.

When taken to its logical conclusions, as evident by various articles written over the years, it becomes evident that Right-Hamiltonianism fundamentally differs from Left-Hamiltonianism in its promotion of Corporatism. In essence, create a “Federalist Corporatist” economy where the Federal government, Organized Labor and Corporate America exist in an arrangement comparable to that of Congress, the Presidency, and the Supreme Court. The powers of one branch of this new US economy would be tempered by the other two branches. No one branch would be able to overpower the other without the other two branches working to keep the third in balance. For Organized Labor to check the powers of the Federal government and Corporate America, there needs to be an institutional framework for everyday Americans to participate in the US economy beyond casting ballots and buying products. Special institutions would be maintained in this Federalist Corporatist economy to set prices and wages and coalesce whatever remains of America’s various labor unions into a unified body.

There is another important limitation to Right-Hamiltonianism that any genuine Left-Hamiltonianism must take into consideration at all times. Right-Hamiltonianism has no intention of replacing Parliamentary Democracy with Council Democracy. It is more focused on challenging the economic and social aspects of Jeffersonianism, leaving too much of the political aspects inadequately addressed at times. Despite that significant issue, Right-Hamiltonianism is still capable of demonstrating itself as being a viable alternative to Neoliberalism on the American Right. All it needs is a Left-Hamiltonianism to provide the necessary support.

Other Factions of Right-Hamiltonianism

Right-Hamiltonianism has other vocal proponents among two strands of political-economic thought, both of which are an Americanization of trends in recent British political thought. These two strands are called “Post-Liberalism” and “National Conservatism.”

The National Conservatives seek to realize a non-Jeffersonian conception of American Nationalism rooted in the British-American people’s community. They reject the idea that Americanness represents an interesting synthesis of British and German ideas, beliefs, concepts and values, instead pivoting toward a purely British-American emphasis. Their support for Hamiltonianism is motivated by an understandable position that the Federal government should be given a stronger role within the US economy to further the strategic interests of the Union. To achieve that end, American Conservatism must be reclaimed from Jeffersonianism and imbued with this peculiar Anglocentric conception of American Nationalism.

The American Post-Liberals share a common cause with their British counterparts in their theologically-driven criticisms of Neoliberalism. They argue that the Economic Liberalization and Social Liberalization brought on by Neoliberalism did not just destroy labor unions and eviscerated local communities. Neoliberalism has also undermined the integrity of the family and the religious congregation as part of the broader alienation and atomization of the Self. Anyone who thinks that the free market could somehow be reconciled with the family and the religious congregation is

either a fool or a liar. Driving much of American Post-Liberalism are Patrick Deneen, Adrian Vermeule, and Chad Pecknold, all of whom are university intellectuals.

It is notable that American Post-Liberalism is being spearheaded by university intellectuals, given the predominantly political origins of its British counterpart. In the UK, Post-Liberalism emerged after the Great Recession in response to the excesses of Thatcherism among the Tories and Blairism among Labour, which are equally responsible for so much of Britain's recent economic difficulties. The realization of British Post-Liberalism was achieved through the conceptualizations of "Red Toryism" and "Blue Labour." Red Toryism and Blue Labour share the same consensus that Neoliberalism has been destructive to Great Britain and that a new political-economic order needs to be created. A similar strain of thought is discernible in the writings of the American Post-Liberals, favoring a "Conservative Social-Democratic" arrangement imbued with Catholic social teaching.

Hamiltonianism on the American Left: Left-Hamiltonianism

If the overarching aim of Right-Hamiltonianism is to confront Economic Liberalization on the American Right, then the overarching aim of Left-Hamiltonianism is to confront Social Liberalization on the American Left. In the contemporary American Left, there has been a growing interest in revisiting Pure Socialism, from the existing Scientific and Artistic Socialisms to attempts at trying to redefine American Socialism. This endeavor should be distinguished from the repackaging of European-style Social-Democracy as "Democratic Socialism."

Left-Hamiltonianism, unlike Right-Hamiltonianism, represents a philosophical, theoretical and conceptual frontier that has yet to be tamed. The experience is in many respects akin to the old western frontier east of the Mississippi, when it became apparent that a centralized Federal government was necessary to bring the Union together after the Revolutionary War. Compared to its counterpart on the American Right, Left-Hamiltonianism has a smaller and less pronounced on the American Left and efforts to change that are fairly recent.

The pursuit of a Left-Hamiltonianism is driven by the conviction that the Culture Wars have distracted the American Left from addressing the socioeconomic issues that plague everyday Americans. By fixating too heavily on identity politics, the American Left has neglected the importance of nationalizing Solidarity and Class Consciousness for way too long. Of course, it would be naïve to think that everyone on the American Left went along with the Social Liberalization on the American Left that coincided with the Economic Liberalization from the American Right. If there are people on the American Right who oppose Economic Liberalization vis-à-vis vying to replace the Fusionist consensus, then some similar endeavor has to be occurring on the American Left. They could be Progressives interested in its earlier Nationalist legacy as opposed to its more recent Neoliberal one, disillusioned Democratic Socialists who have found Social-Democracy to be impossible to sustain in contemporary America, or Marxists willing to view Social Liberalization as the new opium of the masses. Said Marxists would have to be open to the idea that Proletarian Internationalism could not exist without a corresponding Socialist Patriotism. Seriously, as long as Left-Hamiltonianism does not have a foothold on the American Left, the possibilities are almost endless.

It is for this reason that *Compact Magazine* was founded in 2022 by Sohrab Ahmari, Edwin Aponte, and Matthew Schmitz as a sort of rallying point for Left-Hamiltonianism. *Compact* differs from *American Affairs* by trying to find common cause between the American Left and the American Right and their opposition to Neoliberalism. Aponte, despite eventually leaving the

publication he cofounded, was what gave *Compact* its Socialistic edge. The Magazine still continues to exhibit that tendency in spite of his absence, however.

Another flagbearer of Left-Hamiltonianism worthy of mention is *Sublation* Magazine, founded by Doug Lain and Spencer Leonard. Whereas *Compact* was founded to provide a point of contact between the American Left and American Right, *Sublation* was established to give all American Socialists a publication that challenges what it perceives as the disorientation and depoliticization of the American Left by the Jeffersonians. In the early months of *Sublation*'s publication, Lain once stated in an interview that there should be an attempt at synthesizing *Sublation* and *Compact* Magazines with the sort of "Millennial Socialism" of the more well-known *Jacobin* Magazine. This was Lain's way of insinuating that there are elements within the American Left who are open to the idea of working with the American Right to combine Left-Hamiltonianism and Right-Hamiltonianism into a "Conservative Socialist Council Democracy." Given the Hamiltonian tendencies of *Compact*, there is no doubt that the "Conservatism" in this Conservative Socialism is literally Hamiltonian Federalism.

Furthermore, *Sublation* was also founded with other principles in mind. Like the broader Political Left in the Western world, the American Left has been plagued for decades by senseless appeals to Social-Democracy, the absurdities of Trotskyism and its religious-like sects, and the now deplorable state of academic publishing by the New Left. For *Sublation* and its writers, the American Left is in dire need of a new purpose that does not involve retreading what the Progressives are pursuing or fixating too heavily on identity policies and the Culture Wars. That is arguably where *Sublation* from *Compact* and *Jacobin*: the desire to go beyond Americanizing European conceptions of Social-Democracy and being more specific about wanting to realize a genuine All-American Socialism.

Problems of Left-Hamiltonianism and Right-Hamiltonianism

The best way to summarize the problems of the movement in its Left-Hamiltonian and Right-Hamiltonian tendencies is to evaluate them holistically. In essence, the Right-Hamiltonians deviate from the Jeffersonians on economic issues, whereas the Left-Hamiltonians deviate from the Jeffersonians on social issues. They know that Neoliberalism operates in terms of Economic Liberalization and Social Liberalization, but they have yet to envisage how to properly overcome the Political Liberalization that ultimately controls Economic Liberalization and Social Liberalization. Overcoming Political Liberalization coincides with the overcoming of Kapital and Schuld, sparking the changeover from Jeffersonian America to Hamiltonian America.

For the Right-Hamiltonians, they need a political alternative to Parliamentary Democracy. For the Left-Hamiltonians, they need a financial alternative to the Post-Bretton Woods Debt Standard. While Council Democracy could provide what the Right-Hamiltonians are missing, the Left-Hamiltonians are left without any options. Since the Gold Standard, Cryptocurrencies and MMT are all out of the question, the only obvious alternative left is of course the Work-Standard.

America under Jeffersonianism

The general trajectory of US History since the Federalist Era has been characterized by the rise of what I have been referring to throughout the SMP Compendium as the “*Empire of Liberty*,” a world order where Liberal Capitalist Parliamentary Democracy reigns in most countries. It has sometimes been referred to by political scientists and international relations scholars as the “*Liberal International Economic Order (LIEO)*.” Much of the Western world in the late 20th century was dominated by the Empire of Liberty, the end of the Cold War expanding it to encompass almost the entirety of the planet. The 1990s was marked by a Unipolar Moment where Jeffersonian America stood unchallenged in its promotion of Neoliberalism around the world.

The early 21st century has thus far shown that the hegemony of the Empire of Liberty is not going to last. Even if it survives this century, there are no guarantees that it will persist into the 22nd century, especially given how Neoliberalism has been performing since the 2000s. Monetarily speaking, today’s world order is more precarious and less stable than it was prior to the 1970s. One of the lasting achievements of Jeffersonianism after 1945 was the establishment of a worldwide arrangement in which the US Dollar, backed by a reformed Gold Standard vis-à-vis the Bretton Woods System, is considered as the World Reserve Currency. The US Dollar’s hegemony remained supreme in spite of the Death of Bretton Woods, which occurred during the Presidency of Richard Nixon.

1971-1973: Nixon’s Jubilee

When the SMP Compendium was originally written, 2021 marked the jubilee of the President Nixon’s decision to unpeg the US Dollar from the Bretton Woods. When I began writing this Compendium, 2021 became the jubilee of President Richard Nixon’s decision to unpeg the US Dollar from the Gold Standard. The demise of the Bretton Woods System was set into motion between 13 and 15 August 1971. An important speech, “*Address to the Nation Outlining a New Economic Policy: ‘The Challenge of Peace,’*” was delivered by Nixon at the time which can be reinterpreted with the Work-Standard in mind. Below are the relevant portions which I feel to be the most important:

“America today has the best opportunity in this century to achieve two of its greatest ideals: to bring about a full generation of peace, and to create a new prosperity without war.

This not only requires bold leadership ready to take bold action—it calls forth the greatness in a great people.

Prosperity without war requires action on three fronts: We must create more and better jobs; we must stop the rise in the cost of living; we must protect the Dollar from the attacks of international money speculators.

The time has come for a new economic policy for the United States. Its targets are unemployment, [Attrition], and international speculation.

We are going to take that action—not timidly, not half-heartedly, and not in piecemeal fashion. We are going to move forward to the new prosperity without war as befits a great people—all together, and along a broad front.

“In the past 7 years, there has been an average of one international monetary crisis every year. Now who gains from these crises? Not the workingman; not the investor; not the real producers of wealth. The gainers are [Liberal Capitalists]. Because they thrive on crises, they help to create them.

In recent weeks, the [Liberal Capitalists] have been waging an all-out war on the American Dollar. The strength of a nation’s currency is based on the [Arbeit] of that nation’s economy—and the American economy is by far the strongest in the world. Accordingly, I have directed the Secretary of the Treasury to take the action necessary to defend the dollar against the [Liberal Capitalists].

I have directed Secretary Connally to suspend temporarily the convertibility of the Dollar into Gold or other reserve assets, except in amounts and conditions determined to be in the interest of monetary stability and in the best interests of the United States.

As a result of these actions, the [Total Productive Potential] of American [Totality] will be more competitive, and the unfair edge that some of our foreign competition has will be removed. This is a major reason why [the Balance of Power in Trades and Payments have] eroded over [since 1956].”

“The purposes of the [Federal Government’s] actions I have announced tonight are to lay the basis for renewed confidence, to make it possible for us to compete fairly with the rest of the world, to open the door to new prosperity.

But government, with all of its powers, does not hold the key to the success of a people. That key, my fellow Americans, is in your hands.

A nation, like a person, has to have a certain inner drive in order to succeed. In economic affairs, that inner drive is called the competitive spirit.

Every action I have taken tonight is designed to nurture and stimulate that competitive spirit, to help us snap out of the self-doubt, the self-disparagement that saps our [Quality of Arbeit] and erodes our confidence in ourselves.”

This was one of the Nixon speeches which I have found to be favorable to the Work-Standard. After all, the SMP Compendium was written in light of the great economic and financial tragedies that have occurred since the First World War. The US Dollar is still not being pegged to the Gold Standard, the only thing backing the Currency now is Schuld (Debt/Guilt). Problems like trade and fiscal budget deficits, excessive taxation, government and consumer spending, out of control Sovereign Schuld, Currency Depreciation, and economic stagnation continue to plague the Union. Not much has changed; what Nixon announced was the decision to open the door to the possibility that no nation, not even America, can subsist on Bimetallism or Chartalism.

The Death of Bretton Woods was recognized by central banks in the Western world in 1973. The Fractional-Reserve Banking Systems of the world had decided that there would no longer be any more Fixed Exchange Rates. Entire Fiat Currencies were allowed to float or adopt Floating Exchange Rates. The rest of the Empire of Liberty followed suit in 1976, when the dissolution of the Bretton Woods System was formally ratified in the Jamaica Accords. To understand Bretton Woods, we need to realize why it is related to the rise of the Empire of Liberty.

1945: The Empire of Liberty's Birth

The Empire of Liberty is a philosophical concept that originated from Thomas Jefferson, hence its associations with Jeffersonianism. The concept has gradually expanded over the centuries. At first, it meant the belief that America should expand beyond the Mississippi River. It was elaborated further to insinuate that North America and Latin America should fall under an American sphere of influence, as established by the Monroe Doctrine of James Monroe. The Monroe Doctrine coincided with the Democratic-Republican Party's insistence on invading Canada and Cuban and Venezuelan attempts to keep themselves out of the Empire of Liberty.

Modern conceptualizations of the Empire of Liberty would occur during two Jeffersonian Presidencies in the early 20th century, guiding the foreign policy decisions of Woodrow Wilson and Franklin Delano Roosevelt. The Empire of Liberty was almost born after First World War but was curtailed by the geopolitical climate of the 1930s. The events of the Second World War would later reverse those misfortunes by the Jeffersonians, resulting in Bipolarity between the Jeffersonians and the Soviets, and allowing much of Europe and Asia to become extensions of the Empire of Liberty through a series of intergovernmental organizations established after 1945. The EU/NATO, the United Nations, the IMF and World Bank, the OECD, WTO, and the whole alphabet soup of intergovernmental organizations in the Empire of Liberty were made possible because of some pivotal Jeffersonian policy decisions in the Second World War.

The Cold War was in final analysis the continuation of the Second World War under a different name. Legally speaking, World War II in Europe did not end on 2 September 1945. It actually ended on 12 September 1990 with the signing of a new Versailles Treaty that brought about German Reunification. Some would argue that German Reunification was nothing more than a shotgun annexation of East Germany by West Germany with the full backing of the old Allied Powers. This new Versailles Treaty was called the "2+4 Agreement," its official title being the "*Treaty on the Final Settlement with Respect to Germany*."

The legal end, as opposed to the 'official end', of World War II signaled the Empire of Liberty's ascendance to Unipolarity. Francis Fukuyama, in typical Hegelian fashion, captured its historical implications early on when he wrote *The End of History and the Last Man*. Although Fukuyama would later distance himself from the thesis of that work in the 2010s, there is something instructive about it that deserves mention here. In a world order where most nations are Liberal Capitalist Parliamentary Democracies, one might be tempted to think that recent events in the 2000s and 2010s have brought that thesis in open doubt. One could cite the conclusions of a philosopher like Slavoj Žižek, who has maintained for years that there is a growing rift between Parliamentary Democracy and Liberal Capitalism, with the economic failures of the latter undermining the integrity of the former. One could also cite conclusions of various international relations scholars that the steady resurgences of Russia and China are undermining the Jeffersonians' hegemony over the Empire of Liberty. One can even cite the Great Recession, the populist wave of the 2010s, the Brexit Referendum, and the Coronavirus Pandemic as other signs pointing to the Empire of Liberty in a state of decline.

All of those arguments are valid ones but they do not underscore an important issue: What shall replace Neoliberalism, if one has arrived at the conclusion that it should be overcome in the 21st century and perhaps beyond? There is no doubt that the Empire of Liberty and the American Union are two separate political entities that have grown to depend on each other since 1945. But the Empire of Liberty is in fact an empire beholden to the American Union and, like all other empires, will eventually collapse under the weight of its own contradictions. When that happens,

either the American Union collapses with the Empire of Liberty or the American Union survives without the Empire of Liberty.

It is difficult to ascertain exactly when the Empire of Liberty will collapse in the 21st century. The collapse might come as quickly and suddenly as a Third World War or it might be a slow and protracted one like the dissolution of the British Empire. A “Sino-American War” between the American Union and the People’s Republic of China is only going to be a stalemate for both sides of that hypothetical conflict. It is far more realistic to expect the Empire of Liberty to undergo a gradual decline and eventual collapse over the course of the 21st century. The British Empire’s demise throughout the late 20th century occurred gradually as Great Britain lost control and influence over its own colonies, resulting in those colonies declaring their independence.

In the Empire of Liberty’s case, its collapse will be the result of entire nations deciding to abandon Neoliberalism and adopting whatever Ideology and Worldview happens to be on hand. That may coincide with the US Dollar being removed from its loft position as the World Reserve Currency. It may coincide with any number of catastrophes that could force the American people to openly question and challenge the political legitimacy of Jeffersonianism, compelling to replace the Jeffersonians with Hamiltonians.

When Hamiltonianism is finally given its chance to reassert itself in America, the question of what comes after the Empire of Liberty will be in order. The new-old Federalist Party will never settle for Jeffersonian Internationalism and Jeffersonian Isolationism for the two concepts have served as the opposing poles of foreign policy decision-making for the Democratic-Republican Party. Instead of trying to sustain the Empire of Liberty through its own Life-Energy, the new-old Federalist Party will try to implement its own world order, a world order where America exists as one world power among several prominent world powers. Multipolarity, rather than Bipolarity or Unipolarity, would be capped by the World State Organization (WSO).

The WSO will be responsible for helping to facilitate the Work-Standard. It will replace the Empire of Liberty’s entire post-1945 intergovernmental organizations. The WSO presides over the International Internet that all National Intranets are connected to, acts as the medium to promote peace, cooperation and prosperity among nations, and lay the foundations for a “Socialist World Order” where Corporatists, Syndicalists and State Capitalists are allowed to exist.

Another World Order?

The World State Organization will be the only international governmental organization whose legal jurisdiction pertains to the international law of this Socialist World Order. The Socialist Nation, Hamiltonian America, and all other nations will continue to retain their National Sovereignty as WSO member-states. By allowing its own nation to join the WSO, every State is entitled to receive the following non-exhaustive list of benefits under international law:

- Participation in International Student Exchanges and Sports Competitions
- Students are allowed access to the Youth Palaces of other member-states
- The Student Enterprises can operate in another member-state's Student Economy
- Specialty Shops are allowed to expand into Specialty Department Stores
- Special facilities for the Services Sector of the VCS Economy will be available for Foreign Enterprises to establish their branches
- Favorable 1:1 Fixed Exchange Rates between member-states
- Foreign NSFIs and Foreign Work-Tenures available for the Totality
- Access to special NSFIs whose Values are backed by the major world powers in charge of the WSO and can be redeemed in their Sociable Currencies at par value
- Send Foreign Aid to other member-states and receive Development Aid from them
- Request advisors to train and educate the Totality on the Mission-Type Economic Planning and Command-Obedience Account Bookkeeping
- Preferential rates for Production Licenses and Technical Patents
- Access to the WSO's International Internet
- Additional sources of Digital Arbeit and Digital Geld for Digital Enterprises

These are just some of the benefits that will come from a country, assuming they already have a Sociable Currency pegged to the Work-Standard, can receive as a WSO member-state. There may be others that have yet to be considered, but those are the most relevant ones. This Entry in the SMP Compendium will conclude Section Nine with a comprehensive description of the WSO as it is currently envisaged. Everything discussed here can and will be reintroduced again in any future Treatises.

Organizational Structure

Every WSO member-state is delegated by the Council State and the SSE, specifically the Central Government and the Student Government. The State President and State Chancellor have their seats at the “***International State Assembly***.” The Head of State and Head of Government of each WSO member-state has a reserved seat at the *International State Assembly*.

For the SSE, the Student Government's Student President and Student Chancellor also have their seats, but theirs will be in the “***International Student Assembly***.” The *International Student Assembly* is specially reserved for the SSEs of all WSO member-states. The Student President and the Student Chancellor share their seats with a Student Ambassador, who is responsible for their Student Government's interactions with the other SSEs.

Presiding over the International Student Assembly and the International State Assembly is the “***Supreme World Council***.” The Supreme World Council is the ruling body of the WSO, responsible for leading the WSO and bearing all the burdens of this Socialist World Order. There are five vacant seats in the Supreme World Council, one for each member-state. Everyone in both Assemblies shall have one vote to decide who shall be the five sitting member-states on the

Supreme World Council for two consecutive terms of ten (10) years. The maximum number of years that a member-state could be seated at the Supreme World Council is twenty (20) years.

When the first term comes to its conclusion at the end of the tenth year, all member-states on the Supreme World Council must stand for reelection. The International Student Assembly and International State Assembly shall decide by majority vote whether each of the five member-states should be reelected to the Supreme World Council. Any or all of them may be reelected to serve another term and any or all of them may be replaced with another member-state. A member-state can serve on the Supreme World Council again as long as they do not serve a third consecutive term. This raises the possibility of member-states aligned with each other as part of any economic-military alliances to alternate between different terms.

The Supreme World Council shall appoint the “Supreme General Secretary” and the “Youth General Secretary” with the majority approval of both Assemblies. The Supreme General Secretary and the Youth General Secretary are the official leaders of the World State Organization, the ones who will be addressing the Supreme World Council and the Assemblies in every annual session. Similar to the member-states of the Supreme World Council, the “Supreme General Secretary” and the “Youth General Secretary” also serve two consecutive terms of ten (10) years.

All member-states on the Supreme World Council and among the Assemblies shall have one vote each to decide on certain international laws and treaties that pertain to world issues that affect all member-states and not any one particular member-state. For instance, the WSO could agree on a treaty to combat Climate Change. The WSO may consider a treaty to determine who should be in charge of Antarctica or the Moon and who has access to their natural resources. In the event of a tie, assuming the composition of both Assemblies in the WSO is not even-numbered, the Supreme General Secretary and the Youth General Secretary shall serve as the tiebreakers. If it is even-numbered, then only the Supreme General Secretary is the tiebreaker.

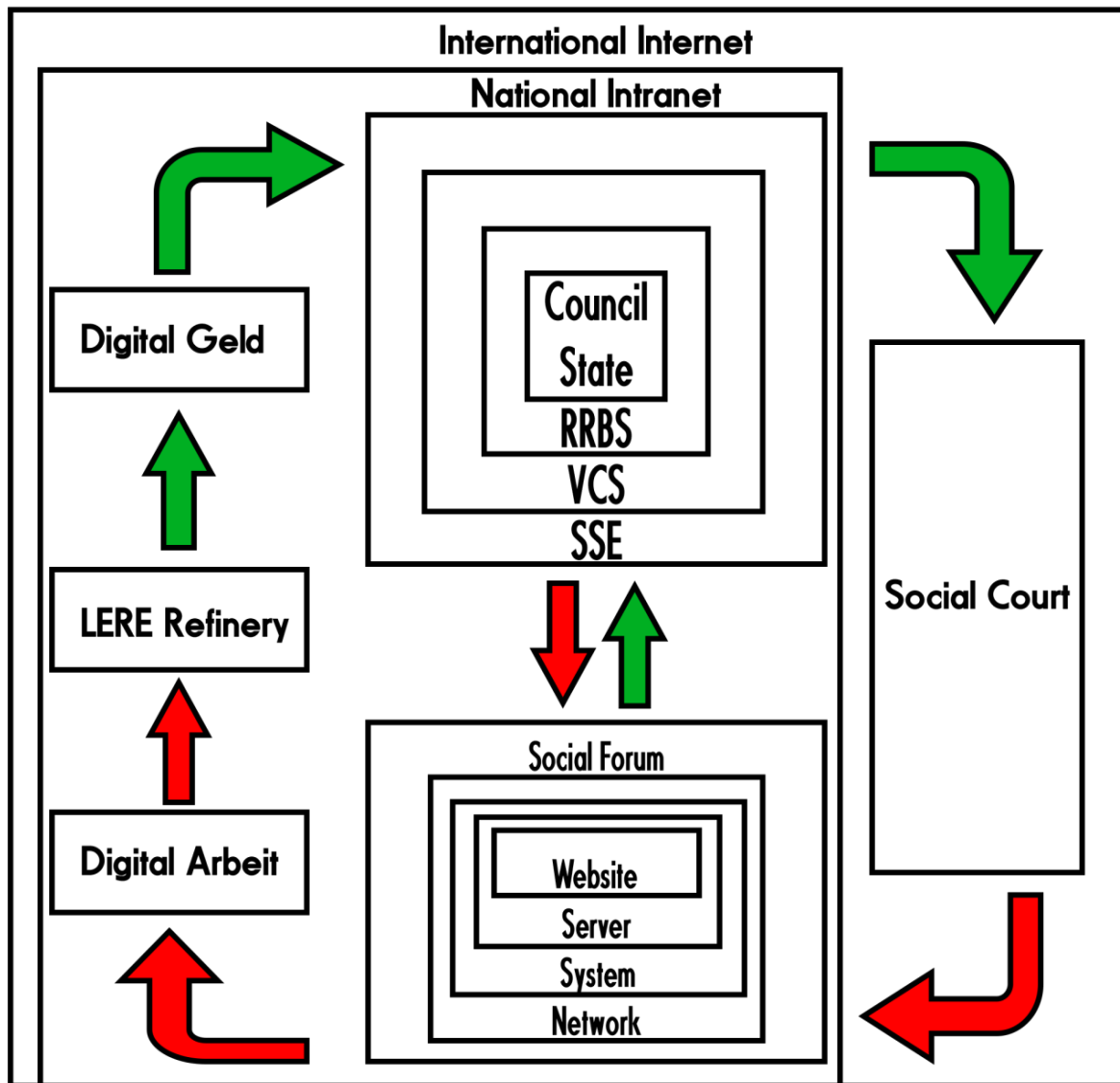
The WSO entrusts the member-states sitting on the Supreme World Council to enforce international law. Any decision by the WSO is a decision that is of importance to all member-states. The WSO will only be dissolved if any member-state on the Supreme World Council declares war on at least one of its other four sitting member-states. The WSO will automatically be reactivated once the conflict ends. Alternatively, if the Assemblies feel that the sitting member-states on the Supreme World Council provide less than ideal leadership, a two-thirds majority in both Assemblies is required to dissolve the WSO, allow new elections, and reactivate the WSO with sitting member-states on the Supreme World Council.

Worldwide Economic Socialization

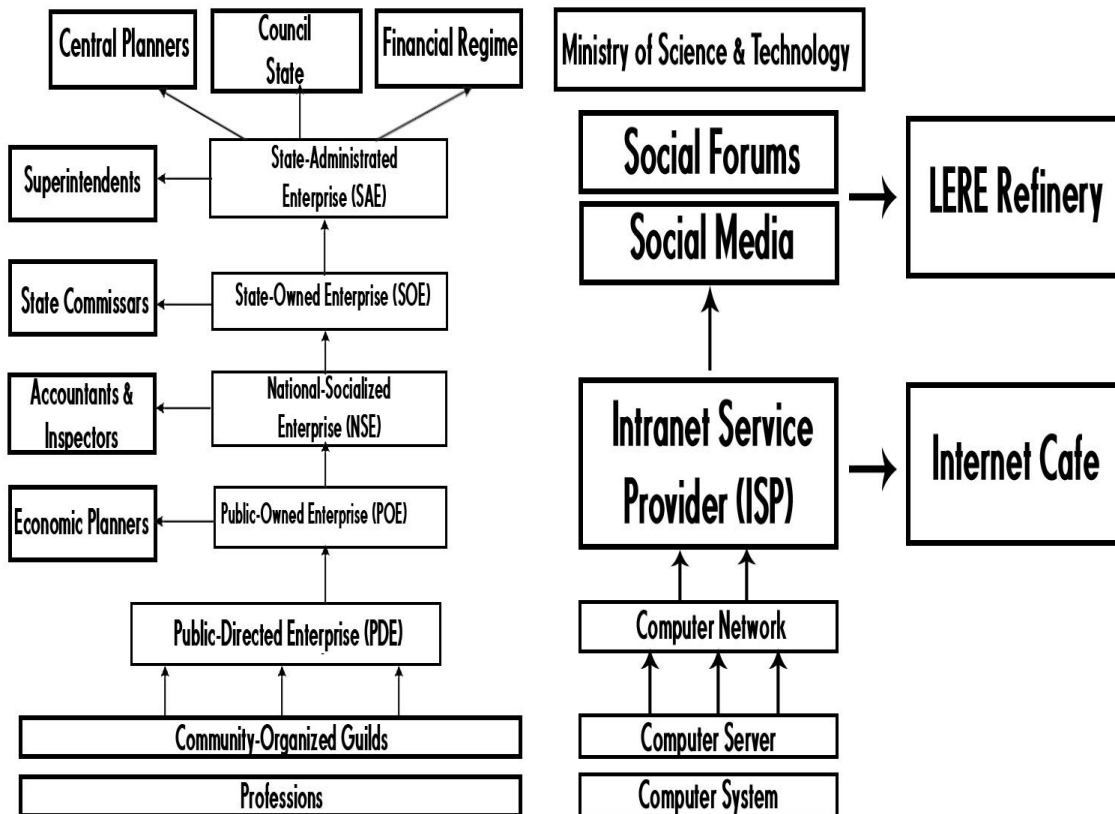
In International Trade, there is no “Free Trade Agreements (FTAs).” WSO member-states will be signing Real Trade Agreements (RTAs), where the signatories will pursue realistic expectations and goals while respecting the cultural and traditional values of their trade partners. The WSO maintains a number of “International Working-Groups” dedicated to specific Professions like postal services, telecommunications, air and sea travel, tourism, science and medical institutes, and educational and culture institutes for the SSEs. The concept of Intellectual Property will be revisited under the Socialist conception of Property. Opportunities will be provided to member-states interested in purchasing the Production License from another nation.

Each *International Working-Group* is an institution attached to the WSO and answers directly to the Supreme World Council and the Assemblies. One of the more important *International Working-Groups* is responsible for the operation, maintenance, and defense of the International Internet that connects the National Intranets of all member-states. This International

Working-Group is tasked with policing the areas separating the accessways to each National Intranet, the “*Social Courts*.” If the Social Forums are responsible for governing the National Intranet in accordance with Council Democracy, then the Social Courts are designed to fulfill the same purpose on the International Internet. All Social Courts interact with this International Working-Group to enforce international law.



Author's Diagram of the Digital Realm, including where the National Intranet and International Internet operate within the LERE Process. The Social Court acts as one of the locations that Foreigners would visit on their way to a National Intranet from the broader International Internet.



Author's Diagram of Economic Governance on the National Intranet. Access to the International Internet is facilitated by Intranet Service Providers (ISPs) and delivered to the Totality by Internet Cafés. Both are Digital Enterprises that operate as part of the VCS Economy's Information Sector under the direct oversight of the Council State's Ministry of Science and Technology.

Aside from that particular International Working-Groups, the rest are tasked with laying down and enforcing the international laws which govern International Trade among member-states. An International Court will be established for the purpose of presiding over the conduct of the all WSO International Working-Groups.

History has shown that the Bretton Woods System is not the most ideal form of international finance. What the Socialist World Order needs is an international financial arrangement in which the WSO issues a special World Reserve Currency backed by the Sociable Currencies of the five largest economic powers on Earth. The purpose of this World Reserve Currency is to allow two NSFIs exclusive to the WSO: the "**Economic & Financial Autarky Kit (NFAK)**" and the "**Economic Redevelopment and Reconstruction Banknote (ERRB)**." The WSO must see to it that, in peacetime, every member-state and SSE shall maintain ample emergency reserves of its World Reserve Currency, to be readily converted into the most valuable Sociable Currencies as every member-state sees fit. Member-states may receive additional NFAKs and ERRBs by assisting the WSO's International Working-Groups.

Worldwide Political Socialization

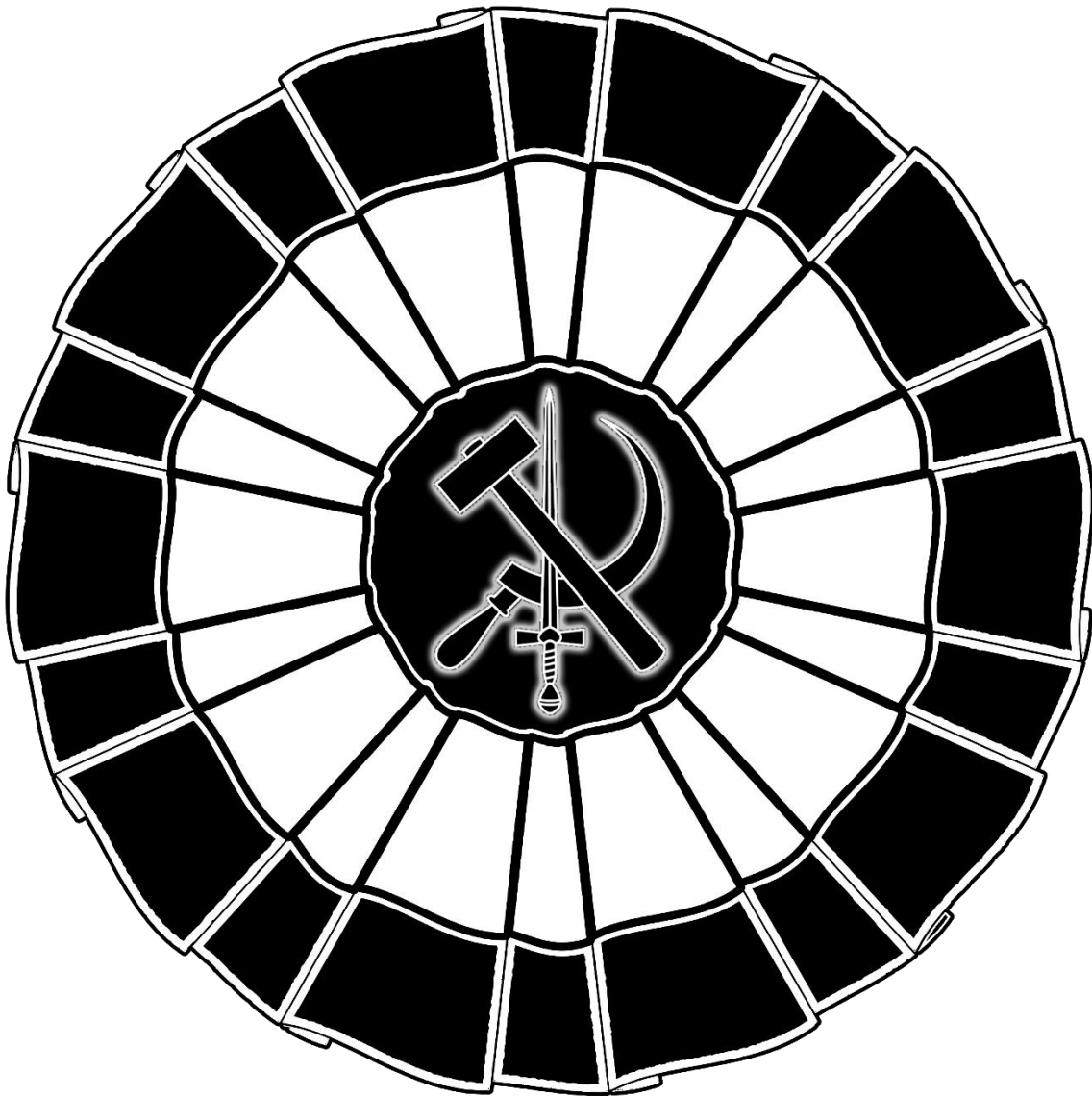
The World State Organization welcomes nations with genuine Scientific and Artistic Socialisms, Corporatism, Syndicalism and State Capitalism as its member-states. As part of their affiliation with the WSO, individual member-states form political-religious-economic-military alliances with other member-states. Such alliances will continue to exist so long as those interests remain mutual. “**Political Internationals**” are allowed to establish a presence among the member-states as long as they have an affiliated Head of State and a Head of Government. The Head of State and Head of Government shall disclose their ideological affiliations as part of their nation’s membership in the WSO.

Registered Political Internationals may work together with subordinate political parties in their respective nations. The goal of every Political International is to eventually lead the Supreme World Council and gain a majority of the seats in both Assemblies. For member-states and their SSEs that find themselves not represented by any existing Political Internationals, they will be allowed to establish their own Political International or they could join a newly-reconstituted that is going to gain a newfound purpose in the World State Organization.

After 1945, in response to the growing Bipolarity of the Cold War, the Yugoslavia established the “**Non-Aligned Movement (NAM)**” for countries not aligned with the Jeffersonians or the Soviets. The vast majority of the NAM’s members are developing countries outside the Western world from a wide variety of Worldviews and Ideologies. In the Socialist World Order of the World State Organization, NAM will definitely gain a new purpose of representing the interests of all WSO member-states that are not affiliated with any Political International. For NAM was founded on the principle of opposition to the political blocs and alliances that characterized so much of the 20th century.

There is only one justifiable Explicit Intent for integrating various Political Internationals and even the NAM into the WSO. The WSO is not a monolithic world government nor is it an alliance of nations. It is an international body responsible for implementing and enforcing international law in the Socialist World Order. This Socialist World Order is not going to be dominated by any one particular version of Pure Socialism. Instead, it will be defined by a multiplicity of different Socialisms and others, thereby laying the groundwork for the sort of Multipolarity that is preferred by the Open Nationalism of the Federalist Worldview.

Section Ten: The federalist American Union



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Temporary Happiness or Eternal Glory? (Pt. 1 of 2)

The first phase of the 21st century has proven itself to be anything but stable and prosperous for the American Union. The Empire of Liberty may appear to be doing fine at the current moment, albeit at tremendous cost to the Union in terms of manpower, resources, and Kapital. It remains to be seen whether the Empire of Liberty will continue its protracted decline as the world order becomes increasingly less Unipolar and more Multipolar with each passing year. The possibility of the Empire of Liberty meeting its own demise due to the onset of a new World War remaining elusive and will continue to be the case for the foreseeable future.

One should never base any conclusions on the Quantity of Kapital. Although mere Kapital Accumulation on its own could indicate signs of economic growth under Neoliberalism, it does not provide enough reliable evidence on exactly what is driving that economic growth. The Kapital Accumulation from the economic activities of manufactories, farms and mines is distinguishable from the Kapital Accumulation of Speculation at the Financial Markets. What has happened in America since the Death of Bretton Woods, as is well-known by now, is an ongoing definition of what constitutes as Kapital Accumulation. Instead of Kapital being generated by the Natural and Manufacturing Sectors, the Services and Digital Sectors have become the most lucrative sources.

Unfortunately for the average American, not everyone in the American Totality is going to benefit from the loss of manufactories or the newfound overemphasis on the tertiary educational level. The rise of what can only be described as a Jeffersonian Technocracy had been set into motion long ago, as far back as the Wilson Presidency. The Death of Bretton Woods has forced this Technocracy to assert itself as a pervasive force whose influence can be felt both inside and outside the Federal Government. Thus, the Jeffersonian ideal of a “yeoman farmer” had been replaced by a “certified expert,” a technocrat. Rather than tilling the soil of an unclaimed wilderness, the certified expert gathers information from a Digital Realm which, in its current form, is also an unclaimed wilderness embodied by the World Wide Web (WWW).

The Jeffersonian Market Economy of the 21st century has had to contend with the fact that its Liberal Capitalist Technologies (LCTs) no longer provide widespread prosperity for all Americans. Despite increasing the overall rate of Kapital Accumulation vis-à-vis the WWW and Financial Technology (Fintech) at the Financial Markets, its economic activities are no longer renown for the sort of mass production that was characteristic of the last year. Not only has this left so many Americans behind, it has also placed so much pressure on trying to secure positions in the Technocracy insofar as it continues to be only true source of prosperity left. Neither America and the rest of the world recover from the Death of Bretton Woods nor did they recover from the Great Recession. The effects of the Great Recession can be discerned from the seemingly dysfunctional political-economic climate that characteristics contemporary politics.

The effects of the State of Total Mobilization remain a constant force that not even the Liberal Capitalist State of Natural Rights could possibly overcome. The pivot toward Kapital Accumulation has already contributed to environmental degradation and resource depletion. A major ecological disaster, capable of causing widespread population transfers, could inflict significant devastation on the Empire of Liberty. The technologies currently being developed in contemporary times may not be enough to stave off the effects of Climate Change.

Even by Neoliberal standards, in an economic system that does not require large populations, it is inevitable that there would be sustained demographic decline the likes of which will create unfathomable effects on the stability of the Empire of Liberty. Its effects are on display within the Western world as well as without. While other countries either accept the demographic

decline or employ Welfare Capitalist policies to address it, the Jeffersonians exploited America's past reputation turned as a nation that welcomed immigration out of economic expediency, fueling centuries-old tensions between the different races and people's communities that constitute as members of the American Totality. The only problem is that the Jeffersonian Market Economy of the 21st century has little need for unskilled immigration like it did in the last century. Instead, it requires skilled immigration, which the Jeffersonians will never truly attain without impoverishing other countries within the Empire of Liberty. The tensions that it creates in the Empire of Liberty will be reflected in the Union.

The demographic decline of the Union will no doubt contribute to the identity politics that define much of the unending Culture Wars. The race question will become an all-consuming issue, creating the need to define the concept of race as something that goes beyond mere biological and genetic characteristics. Put another way, America was never defined by one "ethnic majority" presiding over a multiplicity of "ethnic minorities." Rather, it has always been defined by a multitude of ethnic minorities bound to their people's communities and whose allegiances are tied to the Union under the aegis of a shared Worldview. The British Americans, in spite of their small size compared to the rest of the Union, are only prevalent because they continue to wield enormous clout over the American National Culture. But what cannot be ignored, even as the world continues to enter the next phase of the 21st century, is that the Union appears to be going in countless different directions. The Culture Wars are demonstrative of the fact that America never had a genuine American National Culture whose origins go farther than the Constitution.

This lack of a genuine American National Culture is self-evident in the ongoing loss of direction, purpose, community and belong that is so endemic of contemporary America. It demonstrates that Americans are not born into the Union as Americans, but as individuals first and foremost. The disintegration of people's communities and religious congregation, the diminished influence of organized institutions, and the collapse of the family. The loss of community has coincided with the overall decline of entire towns, cities and even regions. As a result, States have seen uncontrolled population migrations, creating frictions between the States. There are whole swathes of the Union where land and buildings are cheap, except there is nobody to build a lasting community. There is no future to be found in these locations, however.

The perceived decline of the American Union to bolster the Empire of Liberty, as stated elsewhere, is going to be a protracted one. It will not happen overnight as the effects are gradual and more systemic in nature. The Union is not going to continue existing in its current form as these aforementioned are simply unsustainable for building a nation. Exactly what sort of future awaits the Union if present trends continue remains forthcoming, however.

In any case, a new Ideology deserves to be brought into existence, one that draws directly from the American Essence, is relevant for contemporary times, and can provide guidance in a world order where the Empire of Liberty is ceasing to become relevant. An important question that continues to remain pervasive in contemporary America has been the issue of what Ideology would replace Jeffersonianism. Recent historical events have shown a mere absence of alternative Ideologies insofar as the known Ideologies that one finds on display in contemporary American political-economic discourse are in final analysis extensions of the Jeffersonian Worldview. It is more difficult to envisage the building of a non-Jeffersonian America than the destruction of Jeffersonian America. One finds these sentiments in the apathy, discontentment, and dire conditions of American life that is not driven by economic considerations.

Temporary Happiness or Eternal Glory? (Pt. 2 of 2)

Serious applications of the Work-Standard in America are tantamount to the realization of the “Federalist American Union (FAU),” the beginning of another America that has yet to come. Its People’s Party is not the Democratic-Republican Party nor any of its supporting third parties but a new-old Federalist Party. This “Greater American Federalist Party (GAFP)” would preside over the Federal, State and Municipal Governments with various other political parties affiliated with its United Front, the United Front animated by the Hamiltonian Worldview. Hamiltonianism will reassert itself in America, guiding it away from the Empire of Liberty and fulfilling the need for a genuine American National Culture. It shall strive to address many of the problems that continue to plague America, paving the way for a new future worthy of attainment.

The GAFP, like the FAU, is an American idea for the future rather than the immediate present. Its establishment will occur when America is at weakest and when the American people yearn for a newfound purpose as a Totality. That moment has yet to pass in the 21st century, as the Empire of Liberty continues to remain a powerful force beset upon by other great powers. As I had alluded to in the first half of this Entry, one policy problem alone is not going to foster the necessary imperatives for change. A massive series of policy problems without proper policy responses, coupled with popular discontent and decades of decline, might. Until that moment arrives, a political program is in order.

The proposed political program of the GAFP should be designed with a preconceived definition of Americanness in mind. This definition of Americanness will be required for pursuing its various ideological goals. A new conception of American Federalism is to be created, seeking to restore the balance between the Federal and State Governments, where the State Governments will be called upon to assist the Federal Government in the achievement of its various policies. The Federal Government shall regain its old purpose of fostering the creation of a genuine American National Culture with the American people. The American National Culture is forged from the diversity of regional cultures that characterize each of the States.

“E Pluribus Unum”

America is not a monolith. Each State developed after a few centuries of historical developments, culminating in their current forms. These States also maintained their own regional cultures, which is currently at risk of being lost due to the Culture Wars. The GAFP should promote these regional cultures, integrate them into the broader American National Culture, and use them to promote a shared sense of national solidarity, community, purpose, and belonging. The overarching purpose of the American National Culture is to fulfill one of the timeless ideals of American Federalism, personified in its official motto: “*E Pluribus Unum* (Out of Many, One).”

“*E Pluribus Unum*” finds its origins in one of the fragments written by the ancient philosopher Heraclitus, who wrote: “The one is made up of all things, and all things issue from the one.” Here, we find the concept of the Totality, the same concept which has been an integral part of understanding the Work-Standard as an alternative currency system. The Totality is comprised of a collection of various different parts whose whole is far greater than the sum of their parts. Everyone and everything that is considered a part of that one whole contributes to it.

This whole, this Totality, is embodied by the idea of America as a Perpetual Union which binds all States to a single National Consciousness, National Culture, National Identity, National Essence. The American National Essence and American National Identity are to be cherished by the Federal Government, whose purpose of promoting the American National Culture is supported

by the States and the American people as the ultimate beneficiaries. The American people and their States control their Federal Government. They rise and fall with the Federal Government.

In the GAFP's reconceptualization of American Federalism, Council Democracy reigns over the Federal, State, and Local Governments. The American Congress is a "*Congress of Councils*." The American people chooses their Representatives, their "*Federal Delegates*," while the State Governments appoint the Senators, their "*Federal Councilors*." The "*Federal Electors*" of the Electoral College are known and accountable to the American people, drawn from the ranks of the Federal Councilors and Federal Delegates, who will be tasked with electing the next President of the United States. The President chooses their Vice President and appoints their Council of Ministers with senatorial approval.

The State Governments have their "*State Governors*," "*State Councilors*," and "*State Delegates*." The Municipal Governments have their "*Municipal Mayors*," "*Municipal Councilors*," and "*Municipal Delegates*." There is a direct line of succession from the President to the Mayor, the latter being capable of becoming the former by ascending Social Ranks and performing achievements that compel the Congress of Councils to support them in the presidential elections. Nobody joins the Congress of Councils without proving themselves in the State and Municipal Governments first.

The implementation of the Work-Standard in America will require the passing of a new Amendment, the "*Greater America Amendment*," by the Congress of Councils. To pass that Amendment, the Congress of Councils must gain the support of the States. Here, it becomes necessary for the GAFP to build up its political base and electoral support at the local level first before proceeding to the State and Federal Governments. Local residents and their communities have to be convinced that the policymaking decisions of the GAFP will bring peace, order, stability and prosperity to them as members of the Totality.

Why should the GAFP pass an Amendment rather than ratify a new Constitution that retains the best of what the original one had and reapplies them in more contemporary times? That is a question that the GAFP must always be asking itself at times, especially when it is in control of the Federalist American Union. Assuming the Democratic-Republican Party have lost all political power that Jeffersonianism has ceased to be relevant, the ratification of a new Constitution should be considered as one possibility among countless other possibilities. For the foreseeable future, passing an Amendment to implement the Work-Standard should suffice.

But for those convinced that a new Constitution is necessary, one important trend that has been occurring over the centuries is the pivot toward a centralized decentralization. Under the Jeffersonians, the Federal Government has had to centralize power in certain areas and decentralize power in other areas by giving those powers to the States. However, not all of the powers given to the States are enough for them to act on their initiative, and a similar situation has also occurred in the Federal Government. It is sometimes claimed by some that the Federal Government is incognizant of the will of the American people. It is also claimed by others that the Federal Government is not doing enough to further the interests of the American people at the local level.

These claims are demonstratives of the notion that the State Governments will always be the center of gravity in the Federalist American Union. Whoever controls the States has the support of the American people as a Totality. The more States are controlled by a particular political party, the more likely that political party has a chance at gaining control of the Federal Government. Whoever the Federal Government has the political power to shape the Destiny of the Union.

The Federal Government must work with the State Governments to guide the future of the Union. A single State Government is powerless without the other State Governments. The Federal

Government cannot intervene in the affairs of the State Governments without their approvals, otherwise the constitutionality of every decision it makes will be challenged in the Supreme Court. To gain and maintain the support of the States should always be a priority of the GAFFP. For the old Federalist Party's weakest links have always been among the States.

Socioeconomic Restructuring

Under the Greater America Amendment, the Presidency and Congress shall phase out the existing Federal Tax Code in favor of a new one more suited to the purposes of the Work-Standard. The Federal Government will be required by the Greater America Amendment to achieve a balanced budget, pay down the US National Debt, and replace the United States Dollar with a new Sociable Currency, the "**United States Note (USN)**." Most forms of taxation will be repealed to accommodate the Life-Energization Reciprocity (LER) and Life-Energization Reciprocal-Electrification (LERE) Processes, the conversions of Arbeit-into-Geld and Geld-into-Arbeit facilitated by the US Note.

The "**Federal Life-Energy Reserve**" is complemented by "**Federal Banks**" and "**State Banks**" as well as a "**State Life-Energy Reserve**" for each State in the Union. Households, Enterprises, Municipal and State Governments contribute Arbeit and Geld to their respective State Life-Energy Reserve through economic activities and transactional sales. State Banks transfer the Arbeit and Geld from State Life-Energy Reserves to the Federal Banks, which in turn transfer them to the Federal Life-Energy Reserve. The US Note is backed by the Final TPP Value of the Federal Life-Energy Reserve, limiting how many units of Sociable Currency can be put into circulation at any given moment. Every Fiscal Year, the Congress of Councils is required under the Greater America Amendment to decide how much Actual Geld should stay with the Federal Government and how much should be going to the State Governments and Municipal Governments. States that contribute more of their State Life-Energy Reserves to the Federal Government are entitled to receive additional funding from the Federal Government.

The introduction of Tournaments in the American national economy will coincide with the implementation of a Social Ranking System, which determine how much each Household is going to receive from the Federal Government. Opportunities for promotions, medals, awards, decorations and letters of commendation may be conferred to those who have proven themselves worthy of advancing to the next Social Rank.

All American Enterprises will be reorganized by Social Rank as well. There are Federal Enterprises which are subject to congressional oversight, while State and Social Enterprises are beholden to the oversight of the State and Municipal Governments. Enterprises that attain higher Social Ranks by achieving a higher Quality of Arbeit will have their oversight transferred from one Government to another. Only the largest and most influential of Enterprises in the American national economy will be brought under congressional oversight at the Union's behest.

Although the Federal Government has the power to decide how much Households should be receiving in their Paygrades, the State Governments are the ones with the power set the Income Brackets on behalf of the Federal Government. Each State Government shall determine their Income Brackets and submit them to Congress, which will be required to approve them. Similarly, the pricing of goods and services are also determined by the State Governments. It is in the interests of each State to ensure that their segment of the American national economy serves the interests of the Federalist American Union. Federal preemption laws may be imposed to ensure that all States are complying with the terms of the Greater America Amendment, the enforcement of which shall be maintained by the Supreme Court.

There will be a decentralization of financial power in the Federalist American Union. Instead of financial centralization by Financial Markets and a Fractional-Reserve Banking System that keeps them afloat, Kontore will be established in each State with branches in every Municipal Government's jurisdiction. Like the State Commissariats that they are meant to complement, the Kontore are beholden to the American people, who will receive every power under the Greater American Amendment to hold them accountable. Special "*Federal-State Financial Instruments (FSFIs)*" may be issued by Federal, State, and Municipal Governments as well as Federal, State and Social Enterprises, attracting investment with offers of additional sources of Arbeit and Geld.

The Student Government of the American national educational system will operate at the Federal level with Student Councils spread out across the States of the Union. This "*Unified Federalist Student Economy (UFSE)*" is designed to instruct and train the Student Body for governance of the Federalist American Union and its VCS Economy. Student Enterprises operate in the Student Enterprise of the UFSE and are beholden to the Student Government, which is accountable to congressional oversight. Rather than a WWW where the Empire of Liberty imposes a digitalized extension of itself in the Digital Realm, the Federalist American Union relies on a "*Federalist Intranet*," connecting all of the States to each other and the broader International Internet. The Federalist Intranet is designed to implement the principles of American Federalism and the Constitution in the Digital Realm.

All of these concepts are related to a distinctly American application of the Work-Standard by a recontextualized Federalist Party, the Greater American Federalist Party. The GAFP and the Federalist American Union are ideas for another America, an America unlike the one that already exists. In contemporary America, as long as Jeffersonianism, the Democratic-Republican Party and the Empire of Liberty continue to exist, such ideas will never be able to see the light of day. For the rest of this Section, we will be exploring the Federalist American Union as a concept related to the Work-Standard. Those who are interested in the Work-Standard as an alternative currency system, who are presumed to have mastered its concepts and perhaps contributed to them in their own way, may find the rest of the Section to be a worthwhile read.

Returning to the American Essence (Pt. 1 of 2)

In this two-part Entry, we will be exploring the Federalist American Union's renditions of the SSE, VCS Economy, Reciprocal-Reserve Banking System and National Intranet. Serious applications of the Work-Standard will yield comparable results, albeit there can be possibilities where the nation applying it would have distinct command structures. These variances can be deduced as being byproducts of Production for *Dasein*, where it is feasible for different nations to express themselves in their own unique way. How they express themselves politically, economically and socially can be discerned from the manner in which they construct those five key institutional actors that we had discussed earlier in the SMP Compendium. In essence, everything introduced in the preceding Entry will be expanded upon in more detail here.

The purpose of Part I is to flesh out the specifications of the American SSE and VCS Economy, as these two institutional actors will be cooperating with each other more than in other nations under the Work-Standard. Here, the Federal Government leads the Union and entrusts the State and Municipal Governments to ensure their segment of the Union maintains comparable customs and norms befitting of the American Essence. The economic activities of the American SSE and VCS Economy will be impacted by the "Commerce Clause" of the Constitution, which affects the extent to which the Federal Government may intervene in the affairs of any of the States. Although the LERE Process is an area where the Federal Government must assert "Interstate Commerce" with regard to Digital Enterprises, the LER Process remains split between the Federal, State and Municipal Governments. That will in turn influence the direction in which Economic Organization and Economic Governance assume their proper forms in the FAU.

Unified Federalist Student Economy

The American *Unified Federalist Student Economy* (UFSE) has enough autonomy to act as a mirror to the administrative command structure of the Federal and State governments. The Student Government operates in tandem with American Federalism, including the delineation between Federal, State and Municipal Governments. Its Student President and Student Vice President answer directly to the Secretary of Education, preside over the Student Congress and lead the Student Councils in charge of the UFSE's Student Tournament. The conduct of Council Democracy and Mission-Type Economic Planning (MTEP) are applied through hands-on practice at the secondary and tertiary educational levels, ensuring that the Student Body are familiar with the Federalist American Union and providing them with some preconceived notion on what their Vocations should be.

The Student Congress and the Student Councils at the State and Municipal levels are designed after the Council Democracy that exists in the Federal, State and Municipal Governments. The youth wings of the Greater American Federalist Party (GAFF) and its United Front are allowed to run for office in the UFSE. The Student Body votes for their Student Delegates and Student Councilors to the Councils on fixed terms and with a special "**Generational Term Limit**." Applicable to all positions that can be voted for by the Student Body, the Generational Term Limit is designed to not only ensure that the next generation has their chance to govern the UFSE, but also inform the current generation that they must be training for future governance of the Federal, State and Municipal Government.

Any form of economic planning will only be as effective as the people involved in the production process. Mission-Type Economic Planning (MTEP) demands a national educational system capable of instilling the Prussian arts of *Auftragstaktik* ("Mission-Type Command") and

Fingerspitzengefühl (“Instinctive Situational Awareness”), ensuring that every high school and university student is capable of unlocking latent potential and can intuit the presences of any opportunities that comes their way. The 1960s Counterculture has demonstrated this reality to the Greater American Federalist Party because American Council Democracy begins with the students from every high school and every university throughout the entire Federalist American Union.

But unlike the political youth wings of other Socialist countries, including the Soviet Union, German Reich, People’s Republic of China and Yugoslavia, our SSE must account for the political process since all high schoolers and university students are entitled to political and economic participation as US citizens. The UFSE provides America its chance to implement a new kind of SSE that will not only gain the respect of every SSE on Earth, but it will set the stage for youths of the whole world to learn how to govern themselves properly as the citizens of their own nations in a Socialist world order. Each and every student in the Federalist American Union shall learn and train for the necessary character-building and leadership training required for MTEP, regardless of which Profession they end up choosing as their Vocation.

The UFSE must strive to ensure that America’s youth will become upstanding, law-abiding adults. Due to the UFSE’s contributions of Arbeit and Geld to the Federal Life-Energy Reserve, every student will receive free education and free healthcare, a personal allowance and national uniform, opportunities to afford room and board away from their parental household, classes and electives where they will learn hands-on practical training, ethics, religious and political education as well as the usual curricula. Congress shall allocate Geld toward the Department of Education for the construction of facilities, barracks and dormitories, and enlistment of personnel determined to teach and train the next generation. Students will also receive a special metal badge and alterations to their UFSE uniform by participating in a “Extracurricular Guild Occupations (EGOs)” devoted to specific afterschool fields. Not everyone wears the exact same uniform; some are more distinguishable by our medals, ribbons, and which EGO is defining their afterschool life.

These EGOs are designed to fulfill the functions of a Profession in the VCS Economy insofar as the Students involved in the EGOs are training for specific Professions as part of their Vocations. All EGOs share the same Social Ranking System and will be applicable to each Student as they graduate from either the secondary or tertiary educational levels. To join an EGO is to be able to participate in the Student Tournament of the UFSE and its Student Enterprises. The Student Government maintains various Student Enterprises as part of its own contributions of Arbeit and Geld as well as to provide hands-on training in addition to the classroom instruction.

The Federal, State and Municipal Governments will be required by law to ensure that a set number of Student Enterprises are operating in the UFSE’s Student Tournament every fiscal year. Social, Municipal and State Enterprises will be encouraged to transfer to the Student Tournament. Student Enterprises will be allowed to transfer to the Tournament of the American VCS Economy.

Unified Federal-State VCS Economy

The VCS Economy of the Federalist American Union is going to be reflect the principles, values and beliefs that are most befitting of American Federalism. Such considerations will ultimately affect the formation of the Tournament and the Social Ranking System with regard to the Economic Organization of the various Enterprises. The Social Ranking System is applicable to all States, requiring a uniform standard that each State maintains and is applicable to every other State. For instance, if someone has a certain Social Rank within their home State, then that Social Rank will also be recognized by the other States.

The significance of the Social Rank will also be extended to the Paygrades received by every Household. Since Congress is responsible for handling the finances of the Federalist American Union, it should also be responsible for how much of the Federal Budget should go to the Union and the States. Each Social Rank is tied to an Income Bracket, which determines how much Geld a given Vocation will be expected to receive each week. Higher Social Ranks correspond to larger Paygrades, which will come as the result of someone staying devoted to their Vocation and perfecting its Quality of Arbeit over the course of an entire lifetime.

This in turn implies that the Vocational Civil Service concept will be delineated along Federal and State lines. Everyone who works in the Federal Government started out working for their State Government, eventually making a name for themselves. The arrangement is similar to the idea of having the Representatives and Senators be drawn from the States and supported by the American people. It is also an ideal that John Jay had even elaborated in one of his Federalist Papers. Those who are called to work in the Federal Government have a Vocation that compels them to serve the entire Union and not just their own State. Those whose ambitions are less lofty and ambitious should be more concerned about the affairs of their own State.

Similar to the Student Tournament in the UFSE, the Tournament of the American VCS Economy is regulated and maintained by the Congress of Councils. America's Tournament is the means by which goods and services as well as Equipmentalities and Actual Geld are transferred between States, Enterprises, Vocations and Households. The typology of Enterprises in the Federalist American Union consists of Federal Enterprises, State Enterprises, Social Enterprises, Student Enterprises, Digital Enterprises, and Foreign Enterprises. Interstate Commerce begins among the Federal, Digital, Student, and Foreign Enterprises, ending with the affairs of the Social, Municipal and State Enterprises.

Rather than the simplified model of SAEs, SOEs, NSEs, POEs and PDEs operating as members of Industrial Concerns, Consortiums, Subsidiaries and Guilds, it is also possible to envisage the FAU having as many as twelve Enterprises. There would be three Enterprises at the Federal level, four at the State level, and five at the Municipal level. These twelve Enterprises are capable of forming Industrial Concerns, Consortiums, Subsidiaries and Guilds. The best way to distinguish these Enterprises is to categorize them into three tiers.

At the Municipal level, the first tier consists of two Social Enterprises and three Municipal Enterprises. *Personnel-Directed Enterprises* (PDEs) are created by a self-employed Vocational Civil Servant or by a vocational administrator with several Civil Servants within their local municipality. Everyone from here to the end of the second tier are all considered members of their State Civil Service. *Personnel-Owned Enterprises* (POEs) are created from a PDE deciding to start either a family-owned enterprise such as a small family farm and ranch or in this case more than one small business within or near the vicinity of their local city.

Municipal-Personnel Enterprises (MPEs) are created from a POE deciding to create larger family-owned Small Businesses or several Workshops and Cooperatives across or throughout their local city. *Municipal-Owned Enterprises* (MOEs) are created from a MPE deciding to create two family-owned enterprises or multiple small businesses in a local city and its vicinity. *Municipal-Administrated Enterprises* (MAEs) are created from an MOE deciding to create three family-owned enterprises or multiple small businesses encompassing the local city and its entire surrounding county. Further expansion will promote any MAE to a Social Rank where they will be brought under their State Government's oversight as a "National-Socialized Enterprise (NSE)."

The second tier, operating at the State level, contains one Social Enterprise and three State Enterprises. *National-Socialized Enterprises* (NSEs) are created from MAEs branching out of their

local city and county and immediately entering another city or county within their own State. This designation is specifically chosen to the Compact Clause of the Constitution because all Economic Organizations with a Rank of NSE or higher can now establish a presence in another State. It is because they are now able to accept NSFIs (National-Socialized Financial Instruments) from the State Governments at their Kontore.

State-Owned Enterprises (SOEs) are created from NSEs establishing their presence across at least three cities and seven counties in either their State or two States in the Union. Further expansion into the State capital promotes any SOE to the Rank of SAE (State-Administrated Enterprise). *State-Administrated Enterprises* (SAEs) are created from SOEs that have been able to establish their presence across five cities and ten counties in either their State or else two States within Union, in addition to their own State's capital. Further expansion by an SAE into ten cities, twenty counties, and anywhere between two and four State capitals will promote any SAE to the Rank of ISE (Inter-State Enterprise).

Inter-State Enterprises (ISEs) are created from SAEs that have a presence in at least ten cities, twenty counties, and anywhere between two and four State capitals in the Union. Further expansion of an ISE into twice as many cities, counties, State capitals, and/or an additional presence in Washington DC will promote any ISE to the Command and Obedience of the Federal government as an FSE (Federal-State Enterprise).

The third tier only has three Federal Enterprises. *Federal-State Enterprises* (FSEs) are created from ISEs that achieved the minimal presence of ten cities, twenty counties and over four State capitals and/or a presence in Washington DC. They are now able to accept FSFIs (Federal-State Financial Instruments) from the Federal Government under the US Department of Treasury and are allowed to join the Federal Civil Service under the US Department of Labor.

Federal-Owned Enterprise (FOEs) are created from ISEs that achieved the minimal presence of hundred cities, two hundred counties, at least twenty State capitals, and Washington DC. Further expansion will continue until they have a presence in all US cities and counties, State counties, and Washington DC itself, at which point any FOE shall receive the Social Rank of FAE (Federal-Administrated Enterprises).

Federal-Administrated Enterprise (FAEs) are created from FOEs and have achieved the ability to assert an economic presence in the entire United States of America and are also considered eligible for authorization by the US Department of State to conduct Economic Foreignization abroad under the terms of a Real Trade Agreement (RTA) signed by the US. Any International Treaties on Economic Foreignization ratified by the US as a member-state of the World State Organization (WSO) shall be adhered to and enforced by all FAEs operating abroad.

Returning to the American Essence (Pt. 2 of 2)

Continuing with the discussion established in Part I, Part II will be focusing on the American Reciprocal-Reserve Banking System, Council State, and National Intranet. Like the American SSE and VCS Economy, the conduct and interactions of those other three institutional actors will also be influenced by the spirit of American Federalism. In stark contrast to the Jeffersonians' pivot toward centralization enabled by Neoliberalism, Hamiltonianism will see to it that the Reciprocal-Reserve Banking System, including its Kontore and State Commissariats, are distributed among the States. Similarly, the National Intranet will be overseen by the States under the direct oversight of the Federal Government with regard to the Digital Enterprises. These arrangements are to be made possible by dint of applying Council Democracy to American Federalism, replacing Parliamentary Democracy in the process.

In Jeffersonian America, the Reciprocal-Reserve Banking System is predominantly concentrated in Washington DC and New York. The former creates the financial conditions favorable to the latter, allowing the Financial Markets in New York's Lower Manhattan to generate the Kapital with post-Bretton Woods Financial Technology (Fintech). The Financial Markets and the privatized commercial banks expect conditions to be favorable to them before the American people, otherwise there would be unparalleled economic downturn. The Great Depression and the more recent Great Recession have shown that the Fractional-Reserve Banking System is vulnerable to any instabilities emanating from the Empire of Liberty. Thus, they expect the Jeffersonians in the Democratic-Republican Party to ensure those favorable conditions.

There is a comparable relationship with what is colloquially called "Big Tech," a term referring to various large technology firms in Jeffersonian America, the majority of which are situated along the West Coast, and the largest concentration situated in an area known as "Silicon Valley." On the World Wide Web (WWW), most economic activities among the Digital Economies of the world are conducted by Big Tech, causing the Jeffersonians to digitalize the Empire of Liberty in the WWW. Big Tech prefers conditions to be favorable to them, which meant having to constantly reassure the Democratic-Republican Party why they are not monopolies or oligopolies and why they are violating any existing antitrust legislation. If something were to happen to the Empire of Liberty in the Digital Realm, they would be the first ones to be affected.

Federalist Financial Regime

As established earlier in the Section, the Federalist American Union does not rely on the US Dollar. Instead, it has the US Note (the "Red Seals"), redesigned and reconfigured to function as a Sociable Currency issued by the US Department of Treasury. The US Dollars employed by Jeffersonian America are issued by the US Federal Reserve and are distinguished by their distinctive "Green Seals"), hence their nickname as the "Greenback." Unlike the US Notes that were once issued prior to the Death of Bretton Woods, these new renditions feature a notable notation that deserves to be mentioned:

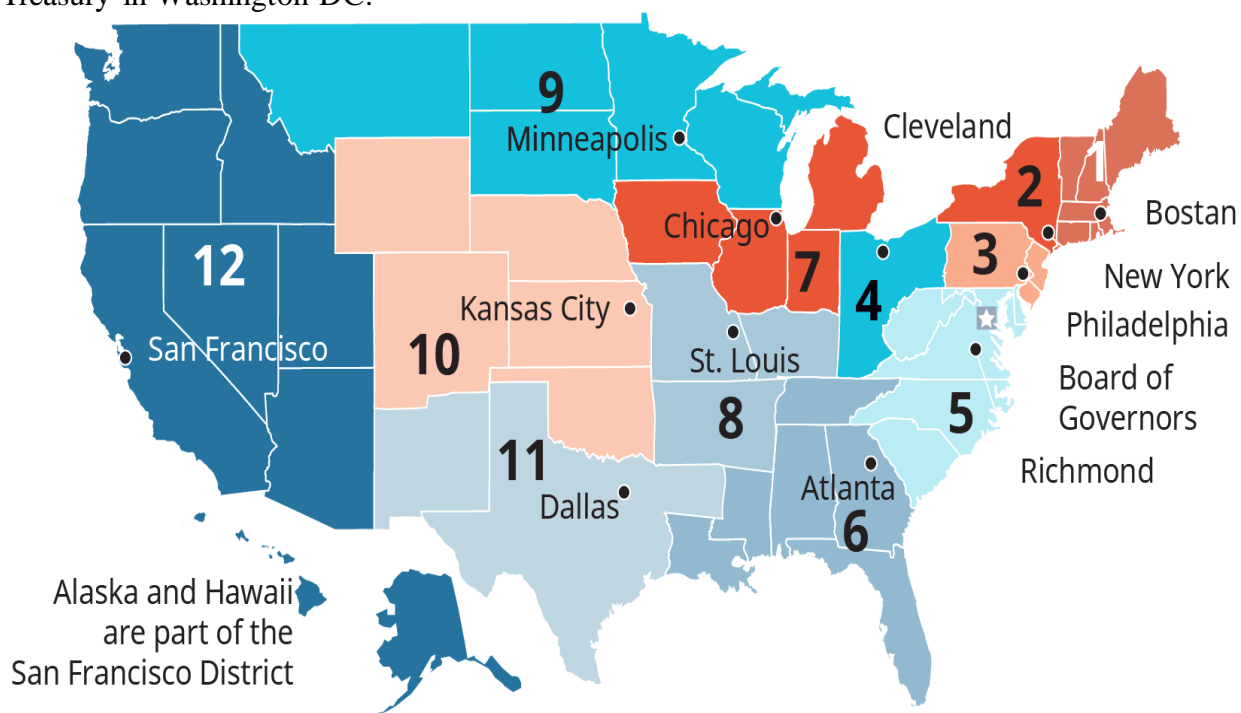
"This United States Note is Legal Tender for all Works, both Personal and Federal, except for Federal Imports; all Works are Redeemable in the Amounts thereof as Payments on all Federal and Personal Debts to these United States."

What is the significance of that notation? It states that the US Note is designed to a Sociable Currency capable of serving as Actual Geld in the Federalist American Union. Any Actual Arbeit that has been generated on behalf of the Federalist American Union will be paid for with US Notes

at face value. Any contributions of Arbeit to the Federal Life-Energy Reserve will count toward the paying down of the US National Debt.

The Federal Life-Energy Reserve governs the Final TPP Value of the Federalist American Union. It represents the sum total of all Arbeit and Geld contributed by the Federal Government, the States, and the Union. Social, Municipal, and State Enterprises contribute Arbeit and Geld to the State Life-Energy Reserve of their respective State, which is then added toward the Final TPP Value of the Federal Life-Energy Reserve. Meanwhile, all Student, Digital, and Federal Enterprises contribute Arbeit and Geld directly to the Federal Life-Energy Reserve. Arbeit and Geld from the States are transferred to Federal Banks through State Banks established within each State in the FAU. These Federal Banks receive the Arbeit and Geld from the States, redirecting them toward the Federal Life-Energy Reserve.

In Jeffersonian America, there are a total of twelve Federal Banks scattered across the Union. Boston, New York, Philadelphia, Richmond, Atlanta, Cleveland, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco contain a Federal Bank whose jurisdictions encompass multiple States. Each Federal Bank answers directly to the US Department of the Treasury in Washington DC.



Source: <http://www.federalreserve.gov/otherfrb.htm>

Conversely, Jeffersonian America also has twelve Financial Markets, the vast majority of which are situated in New York. Smaller Financial Markets can be found in Boston, Jersey City, Chicago, Miami, and San Francisco. Their general locations correspond to the jurisdiction of the twelve aforementioned Federal Banks.

Hamiltonian America by contrast will envisage a Federal Bank for each State, whose jurisdictions only cover that State. Rather than centralizing the Federalist Reciprocal-Reserve Banking System in a handful of locations, the proposed Federalism of the Greater American Federalist Party (GAFP) is to distribute the Federal Government's presence more evenly. The Union is more than large enough to facilitate that distribution.

Every conceivable means of making the Federal Life-Energy Reserve transparent and accountable to the American people should be pursued by the Federal Government. This includes providing technological means of knowing how much Arbeit and Geld are being generated by each State and the extent of their contributions to the Federal Life-Energy Reserve. The Federal Life-Energy Reserve should be made known to the American people through the Council Democratic process in the Real World and through the Social Forums of the Federalist Intranet in the Digital Realm. A smartphone application receiving constant notifications would be one example.

Each State in the FAU has its own Kontore and State Commissariats, both of which are accountable to the Council Democratic process. The Kontore are responsible for all issuances of NSFIs applicable to the State and Municipal levels and special Federal-State Financial Instruments for the Federal level. The Kontor of each State maintains local branches throughout its jurisdiction, ensuring that all residents will have access to their vast plethora of NSFIs and FSFIs. Fiefs, Work-Plans, Equipmentalities, Work-Tenures, Earmark Requisition, Priority Requisition, Apprenticeships, Scholarships, and Sponsorships will be made available.

Prices of goods and services are determined at the State level. The conduct of Mission-Type Economic Planning (MTEP) will also be conducted at the State level under the aegis of the Central Plan enshrined in the Preamble of the Constitution. That Preamble should serve as the basis for the Central Plan of the FAU. The practice of MTEP in the FAU is prioritized based on Federal or State considerations. Economic planning conducted by the Federal Government is intended to affect only Federal Enterprises, Student Enterprises and Digital Enterprises insofar as all of their economic activities are applicable to Interstate Commerce. Any economic planning done by the State Governments needs to be identified as relevant to State Commerce.

An important area of interest for the Federalist Reciprocal-Reserve Banking System, one that bears immense implications for the Unified Federalist Student Economy (UFSE) and the American VCS Economy, is the facilitations of Specialty Department Stores and Specialty Shops that would be established alongside local Kontor and State Commissariat branches in Shopping Citadels, Shopping Arenas, and Shopping Arena Transit Hubs (SATHs). These *Federal Post Exchanges* (FPXs) facilitate transactional sales of goods and services imported from other nations.

The concept of the FPX has its origins in the “Trading Post.” In past centuries, European settlers and Native American Tribes bought and sold their wares there. Today, that tradition continues for any Americans interested in purchasing a wide selection of imported merchandise like luxury goods and cultural items from other nations. Most US military installations maintain them under different names, but the States will be able to establish ones for their residents. A *People’s Surcharge* allows the American people to mitigate the effects of Economic Foreignization by limiting how much Geld is allowed to leave the American VCS Economy.

Anyone interested in purchasing foreign goods and services in the US must convert their *United States Notes* (the “Red Seals”) into the *Federalist Exchange Certificates* (the “Black Seals”). These ‘Black Seal’ FECs are ornately designed to be distinguishable from the ‘Red Seals’ which most Americans will soon become accustomed to encountering in their everyday lives. They are meant to be spend on any and all imported goods and services, ensuring some amount of Actual Geld will remain in the Federalist American Union.

Federalist Intranet

Compared to the other four institutional actors covered in the SMP Compendium, the Digital Realm is arguably the one that has yet to be fully realized. In essence, the growing prevalence of the WWW in everyday life has shown that important questions of Personal Privacy and National Sovereignty remain unanswered. The development of National Intranets, including the FAU's Federalist Intranet, is ongoing insofar as there are always new possibilities and capabilities that have not yet been considered. Their interactions with each other in the Digital Realm are tied to the development of the World State Organization (WSO) as an intergovernmental body. It is not one of the purposes of the SMP Compendium to contemplate on what those possibilities and capabilities are, however. An entire Treatise would need to be written.

Even so, the Federalist Intranet of the FAU will be designed to digitalize American Federalism in the Digital Realm, enabling the extension of shared social norms, values and customs from the Real World. Each State is responsible for their segment of the Federalist Intranet, which consists of the various amenities discussed in various preceding Entries throughout the SMP Compendium. Websites as well as computer servers, networks, and systems are registered and operated at the State level, their maintenance and governance at the Federal level. The latter becomes relevant in the LERE Process, where Digital Enterprises generate Digital Arbeit and Digital Geld within the Federalist Intranet's Digital Tournament. Any Digital Arbeit and Digital Geld from the Digital Tournament gets converted into Actual Arbeit and Actual Geld at the LERE Refineries before heading straight to the Federal Life-Energy Reserve.

The Digital Tournament of the Federalist Intranet is designed to accommodate the actual Tournament in the American VCS Economy as well as the UFSE's Student Tournament. Here, goods and services from both Tournaments can be sold on the Digital Tournament by any non-Digital Enterprises. A network of websites will be established to facilitate transactional sales and the deliveries of goods and services across the Digital Realm.

The governance of Digital Enterprises and the overall infrastructure of the Federalist Intranet are presided by the Social Forums. Each State maintains a number of Social Forums whose jurisdiction covers the digital boundaries of that State. The Social Forums are designed to fulfill a multitude of roles found back in the Real World, such as the Council and Chambers, State Commissariat, Kontor, and Social Media. Intranet Service Provider (ISPs) are responsible for the maintenance and provision of the Federalist Intranet to all State residents, in addition to facilitating access to the broader International Internet from a network of Internet Cafés. These Internet Cafés can be found in notable locations such as the Shopping Arenas and Shopping Citadels.

The digital borders of the Federalist Intranet are denoted by the presence of Digital Enterprises operating among the Social Courts. The Social Courts are also governed by the Council Democratic process, facilitating the flow of information between the Federalist American Union and the World State Organization. In the Digital Realm, Real Trade Agreements (RTAs) between the FAU and other nations go through those Social Courts before eventually entering the digital borders of the FAU and interacting with the Social Forums.

Greater America Amendment

Amending the Constitution can be initiated by the Federal Government, the State Governments, or the American people. It always involves getting the support of the Federal and State Governments. State Governments approve and ratify a proposed Amendment, the Federal Government passing and enforcing it. The passing of an Amendment like the Greater America Amendment is why it is necessary for it to become a key tenet within the political program of the Greater American Federalist Party. The Greater American Federalist Party must establish its own electoral base throughout the States of the Union, beginning with the Municipal Governments and ending with the Federal Government. The rotting edifice of old Jeffersonian institutions are to be supplanted by the appearances of new Hamiltonian ones.

It is not a question of Geld, but a question of manpower and organizational clout to lay the groundwork for the passing of the Greater America Amendment. Here, Arbeit takes greater precedence over Geld, asserting its superiority over it as well as Kapital and Schuld. Leadership and a strong, influential organizational base are important in order to allow for the development of the new Hamiltonian institutions destined to replace the old Jeffersonian ones. This will require a large movement willing to coalesce around Hamiltonianism as defined by the Greater American Federalist Party in its political program.

New Amendment or New Constitution?

Compared to the Articles of Confederation, the Constitution achieved its goals of establishing a Federal Government to lead the American Union. It had been amended dozens of times over the centuries, with certain passages of the Constitution being phased out in response to the historical development of the American Union. The old compromises on the question of Slavery, to which the Federalists remained steadfastly Abolitionist, ceased with the passing of Amendments XIII, XIV, and XV. Amendment XVIII was later repealed by Amendment XXI. Yet the passing of any new Amendments has not occurred since the 1990s, the latest one being a purely bureaucratic provision regarding the fiscal policies of the Federal Government.

One must always bear in mind that the SMP Compendium was written on the premise that any implementation of the Work-Standard in America would involve the passing of a new Amendment to formalize it. This Greater America Amendment must establish the basis for another conception of American Federalism where Legal Duties are accompanying Legal Rights and Constitutional Intents accompanying Constitutional Obligations, Council Democracy is reintroduced, and the Empire of Liberty replaced by the Federalist American Union. It must facilitate the restructuring of the Union and all of its institutional actors toward a more Hamiltonian and less Jeffersonian pivot. The UFSE, Federal-State VCS Economy, Reciprocal-Reserve Banking System, and Federalist Intranet are to be established alongside the reimplementation of Council Democracy in the Federalist American Union.

The US Dollar will be replaced by a new US Note featuring the characteristics of the Sociable Currency. The Federal Government will receive a newfound purpose in fostering the creation of a genuine American National Culture befitting of the American National Essence, National Identity, and National Consciousness. It will also receive a Constitutional Obligation to promote a balanced budget and convert the Federal Reserve into a Federal Life-Energy Reserve with State counterparts designed to store contributions of Arbeit and Geld from the entire Federalist American Union. The Tournaments and the Social Ranking System will be introduced alongside the decentralization of the Financial Regime to allow for the establishments of State Kontore and State Commissariats.

The Internal Revenue Code of 1986, a lasting testament to the Reagan Revolution of the 1980s, will be replaced by a new Internal Revenue Code designed specifically for the LER and LERE Processes. Most Federal Taxes will be eliminated as the Federal Government is going to become more self-sufficient within its own finances as well as drawing from the Federal Life-Energy Reserve. Backed by a balanced budget provision and the absence of support for the Empire of Liberty, the Federal Government will be able to finally start paying off the US National Debt.

The proposed conception of American Federalism by the Greater American Federalist Party begins with its own conception of National Sovereignty. Other versions of American Federalism envisaged National Sovereignty being split between the Federal and State Governments, rather than National Sovereignty being held by the American people, the real benefactors of American Federalism. The powers of the Federal and State Governments should be proportionate to the amount of Americans that have been bestowed to the American people as a Union, as a Totality. Every Legal Right bestowed to the American people under the Constitution is to be complemented by the presence of a corresponding Legal Duty. Every Constitutional Intent to act in the interests of the Federalist American Union by the Federal Government and States is to be correlated by a coexisting Constitutional Obligation.

Here, the Federal Government leads the Federalist American Union, implementing policies that further its Constitutional Intents and fulfilling its Constitutional Obligations to the States and the American people. The size and composition of the Federal Government, like that of the armed forces, should be large enough to achieve those Constitutional Intents and Constitutional Obligations. The qualitative decision-making of the Federal Government is more important than quantitative considerations such as its size and composition. Political power is to be well-distributed among the States to ensure that each act in the interests of the Union, supports each other, and helps the Federal Government govern the Union. States with the most political power should be encouraged to lead the Federalist American Union through the Federal Government.

The evened distribution of political power among the States and the Federal Government will occur as the result of the reimplementing Council Democracy in the Federalist American Union. Unlike Parliamentary Democracy, Council Democracy draws much of its political legitimacy at the local level and its power at the national level. The extent to which a country is capable of energetic action under Council Democracy is determined by ability to realize its priorities within a discernible center of gravity. In the context of America, that means giving the States enough clout to govern themselves and to support the Federal Government as needed.

Ideologies of the Hamiltonian Worldview

The Greater American Federalist Party is a party that adheres to the Worldview of Hamiltonianism through a multitude of Ideologies. A strong and powerful Party is marked by its ability to survive after the passing of a visionary leader. There is no room for any Personality Cults or the centralization of political power within the Party by one man. It is for this Intent alone that Populism is an aversion to the fundamental aims of the GAFFP.

As a Worldview, Hamiltonianism is capable of accommodating a wide variety of Ideologies because of its Pluralist tendencies. Federalist Nationalism can be supported by a Federalist Socialism, and the same could also be said for other Ideologies: Federalist Statism and Federalist Ultramontanism, Federalist Environmentalism and Federalist Traditionalism, Federalist Anarchism and Federalist Authoritarianism, Federalist Conservatism and Federalist Militarism. These different Ideologies are paired in this manner to indicate how they balance each other, ensuring that one cannot overpower the rest and vice versa.

Everlasting true love of the Federalist American Union and the rejection of the Empire of Liberty should be abetted by the power to ensure the flourishing of the American people. The concerns of the Churches and the States are to be accommodated and heeded, their empowerments tempered by a strong, yet centralized Federal Government. The struggle to maintain the balance between Nature and Technology is related to the corresponding struggle to sustain the balance between Tradition and Innovation. The building of tight-knit communities of strong families is supported by the determination to defend them. And the powers of a Self, no matter of their Social Rank and Vocation, will always be checked by the powers wielded by another Self and vice versa. That is the true meaning of Checks and Balances when it has been reapplied outside of Congress, the Presidency, and the Supreme Court.

Any Ideologies not influenced by Jeffersonianism or any other Worldview could potentially be brought to the forefront of Hamiltonianism. The Worldview retains Ideologies which continue to demonstrate themselves as being capable of change, abandoning those which have ceased to be relevant for its own aims. For Ideologies are merely the vehicles through which a Worldview is able to conduct itself in any conceivable political-economic discourse. Adherents of any Worldview are capable of abandoning certain Ideologies in favor of others if doing so means that their Worldview will be able to exercise the most influence.

Hamiltonianism cannot be exclusively on the American Right or the American Left by seeking to overcome the opposing Worldview of Jeffersonianism and its Empire of Liberty. To let the Worldview be left in the company of either would be a waste of its Pluralist tendencies. Thus, the Worldview must strive to foster the developments of a more Hamiltonian American Left and a more Hamiltonian American Right in order to provide the basis for a new political-economic and socio-culture consensus. There may be different Ideologies on the American Left and American Right, but they are all drawn from the same Worldview, enabling their adherents to collaborate on a philosophical and theoretical level. Collaboration at the philosophical and theoretical level will eventually yield the ability to cooperate at the practical and organizational level.

Familiarity with the current trajectory of political-economic discourse should be a high priority for the GAFP. The Party needs to be able to know where and when contemporary political-economic discourse is heading in order to ascertain how it will redirect that discourse toward a pro-Hamiltonian pivot. When contemporary political-economic discourse is guided along a less Jeffersonian pivot, the Party will be able to introduce its own policies sourced directly from the Hamiltonian Worldview and expressed through whatever Ideologies it happens to employ.

Conclusion: Neither Democrat nor Republican but Federalist!

“From this summary of what has taken place in other countries, whose situations have borne the nearest resemblance to our own, what reason can we have to confide in those reveries which would seduce us into an expectation of peace and cordiality between the members of the present confederacy, in a state of separation? Have we not already seen enough of the fallacy and extravagance of those idle theories which have amused us with promises of an exemption from the imperfections, weaknesses and evils incident to society in every shape? Is it not time to awake from the deceitful dream of a golden age, and to adopt as a practical maxim for the direction of our political conduct that we, as well as the other inhabitants of the globe, are yet remote from the happy empire of perfect wisdom and perfect virtue?”

**-Alexander Hamilton,
Federalist Paper No. 6,
ca. November 14, 1787**

The dawn of the 21st century saw the world under the hegemony of Jeffersonian America, having spent the previous two centuries bringing much of humanity under its influence. Two World Wars, of which the Cold War was merely the continuation of the second, cemented the rise of an Empire of Liberty that would later deliver humanity into the epoch of Neoliberalism. As 1999 gave way to 2000, the expectation was that the 2000s and the rest of the 21st century would be more of the same. That the 2000s, 2010s, 2020s and beyond will perpetuate the trends of the 1990s. For any nation other than Jeffersonian America, it meant a Parliamentary Democracy presiding over a Market/Mixed Economy and Fractional-Reserve Banking System, sustained by an OECD-Type Student Economy of Millennial and Generation Z youths, and interconnected to a World Wide Web (WWW) where everyone is a stranger without an identity or a sense of purpose.

Yet the 21st century has hardly been a peaceful and stable period in US History. The first two decades alone were characterized by disastrous military conflicts, financial crises, economic dysfunctions, technological disruptions, demographic collapse, social instability, and political fragmentation. These isolated problems are contributing to a precedent in which there will come a day when Jeffersonian America can no longer sustain itself. It is not as if these problems are going to be resolved anytime soon by the Jeffersonians nor do they seem interested in addressing them. Any nation that aligned itself with Jeffersonian America, which at this point includes most of the world, got their fair share of these problems in one way or another vis-à-vis the Empire of Liberty. Any nation that refused to align itself with Jeffersonian America may subsist on their own, but because so much of the world is integrated into the Empire of Liberty, it can be difficult to survive without some level of interaction.

Jeffersonian America, at this time of this writing, is still undergoing its rapid, albeit protracted decline. The effects are just beginning to manifest themselves, except they will not reach critical mass until sometime later in the century, assuming present trends continue as they are. It will take decades before the debilitating effects undermine the stability of the Union. The American people are already sensing that something is wrong about the Union, forcing them to act in ways that are not always productive because they truly do not have any power over their Union.

The fruits of these effects on the Union are on display for any observer to witness themselves. The electoral tantrums of various ideological tendencies spun by populist fervors of fleeting moments. The senseless retreats into illusions of a very recent past without recognizing that the problems originated from that recent past. The constant back and forth squabbling over

who gets to define the National Culture, supported by ongoing attempts at establishing a multitude of contradictory National Identities. The apathy, loneliness, depression, despair and anxiety over what exactly America was supposed to be and what it is capable of being. That endless uncertainty that comes with the feeling of stark helplessness and powerlessness.

The crises that plague the Union and much of the world in the early 21st century will not subside on their own, nor should anyone deceive themselves into thinking that their solutions reside in some variation of Neoliberalism. The crises of Neoliberalism are decades-old and so systemic that the only way forward is to abandon it and build something entirely new in its place. So much of today's geopolitical climate is fixated on the next Ideology to replace Neoliberalism. Similarly, today's political-economic discourse is centered on destruction, leaving nothing but smoldering debris in the aftermath. To demolish a very old, firmly established political, economic and social order, but never to envisage something else in its place.

It is unthinkable to envisage the current state of affairs in the Union and around the world continuing as they are in the late 21st century, alone the 22nd century. At some point in the 21st century, the current state of affairs will change into something that most people at the time of this writing cannot possibly recognize without knowing its signs first. Whatever the rest of the 21st century and even the 22nd century may hold, one thing will always be certain: Jeffersonian America will not survive the 21st century, forcing Hamiltonian America to reemerge.

The fundamental question that has yet to be ascertained is whether Hamiltonian America makes its triumphant return with the Union intact or not. Will the future demise of Jeffersonian America and the Empire of Liberty drag both the Union and the American people into the abyss? Or will the return of Hamiltonian America result in the coming of a Greater America, a "Federalist American Union (FAU)?"

This Treatise in all of its Editions was written from the position that America remains one nation because it is forged by a Union of States, hence the "United States." The spectacle of thinking that America will someday disintegrate into a *Kleinstaaterei* (Little Statery) of independent nations was an illusory utopia where States are free to practice their own trivial interpretations of Jeffersonianism, independent of the other States. Even if the Union were to break up into fifty nations tomorrow, Hamiltonianism would simply change its form to make the Union whole again. Hamiltonianism may transform into a "Pan-Americanism" that would make the old ambitions of Venezuela's Bolivarian Federalism look miniscule by comparison.

Jeffersonian America and its Empire of Liberty may be reaching its end, but the same cannot be said for conceptualizing the Work-Standard. Three other Treatises have been written to elaborate further on specific concepts from the preceding Sections. While the Reader is encouraged to read the other three Treatises to develop an intimate understanding of the Work-Standard, an overview of all three may prove valuable for those interested in exploring specific ideas and concepts:

1. *The Third Place* expands on the socio-cultural and political-economic implications with special attention given to the national educational system. Young people, specifically those attending the secondary and tertiary educational levels, have very important roles to play within the Council Democratic process, a process that is also intertwined with their classroom and workspaces. How they conduct themselves in the nation is addressed in connection to other pivotal topics such as housing, transportation, family life, and personal self-expression and self-development.

2. *Work-Standard Accounting Practices* focuses on the financial and accounting methods of the Work-Standard, as they were discussed back in Section Eight. But unlike in Section Eight, this Treatise provides further comprehension on how to gauge the prosperity and flourishing of any part of the nation with just Arbeit and Geld. It also provides background information on why the accounting methods of the Work-Standard have not been devised by anyone from any major Ideology in the previous century.
3. *The Digital Realm* addresses the technological advancements that have made Digital Arbeit and Digital Geld entertainable here. The rise of digital economics has led to the growing need to set the parameters of the Work-Standard in the Digital Realm. Questions of personal privacy and national sovereignty are raised in order to articulate how the concept of the National Intranet is able to coexist alongside other National Intranets, with the International Internet as their digital buffer.

Each of those three Treatises were written with the Intent of building upon the conclusions of the preceding Sections. Neither of those Treatises could have been written without this Treatise, for it was meant to serve as the definitive document on the Work-Standard.